

**Endogenous Regional Development:
Cottage Industries in Tasmanian Agriculture**

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**A thesis submitted in fulfilment of the
requirements for the Degree of
Doctor of Philosophy**

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Declaration of Authorship/Originality

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Abstract

This study explores a ‘culture industry’, that of the artisanal food industry in Tasmanian agriculture. Food production and consumption is a highly controversial, socio-political process, whereby diverse values and beliefs, levels of resources and interests struggle for survival. The resultant manifestation of this struggle – in the form of products, production methods and actions – stand testament to the diversity. This thesis demonstrates the politicised nature of food production by examining the paradox of enterprise expansion while retaining a number of identities/tags associated with small scale food businesses and their products (i.e. *cottage industry*, *artisanality* and *quality food*). The implications of these findings for the development of the artisanal food industry are also explored.

Two phases of data collection were involved in exploring these issues. A first phase was a scoping study involving document analysis, semi-structured interviews with local knowledgeable and a range of cottage industries, and initial fieldwork. The second phase involved a case study analysis with three small-scale agricultural cottage enterprises (SACEs) and three that had expanded (ESACEs). The case studies primarily involved in-depth, semi-structured interviews.

The research found that the *cottage industry identity* was meaningful as applied to the SACEs, but also that many of the defining characteristics of a cottage industry were also applicable to the ESACEs. *Artisanality* was found to be an appropriately assigned label in both the small-scale and expanded enterprises, with a set of specific characteristics, approaches and the principals’ role as ‘artisanal entrepreneur’ authenticating the ESACEs and their products as artisanal. It was found that the enterprises under study aligned with Ray’s (2003) notion of the cultural approach to *Endogenous Regional Development* (ERD) and particular place and space characteristics; whilst ‘the short food supply chain’, a ‘collective form of social action’, assisted in facilitating the preservation of these associated identities/tags. In examining the retention of food *quality* meanings upon expansion, the same set of characteristics and qualities that are potentially used and applicable to the SACEs in defining quality were also found to be relevant in the ESACEs.

In examining the *cottage industry*, *artisanal* and *quality* identities, this research demonstrated that there are more similarities than differences between the SACEs and

ESACEs, and that growth can occur without necessarily compromising values and actions; all of which enable identity preservation and value-adding potentialities. Moreover, the current use of the 'short food supply chain' holds significant promise for this industry as it assists in building relationships and trust between processors and consumers who share similar values and beliefs surrounding food production and consumption. In so doing, food products are heavily laden with eco-social information, which can assist in challenging unsustainable agrifood production and related practice.

In memory of my Grandad

John Austin Gralton

11.04.1919 - 21.01.2006

*Their kids in turn proud of them
Because of lessons passed on to them
I love that dream – that real life dream
I know for certain they are at rest – I feel serene
For their world is wide and the grass is green*

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Abbreviations

Acronyms

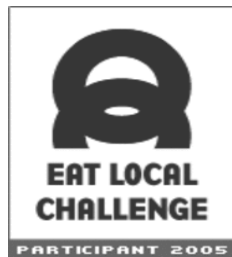
ABC - Australian Broadcasting Commission
ABS - Australian Bureau of Statistics
AFFA - Department of Agriculture, Fisheries and Forestry – Australia
AIP - Artisanal Identity Preservation
BRS - Bureau of Rural Services
ERD - Endogenous Regional Development
ESACE - Expanded Small-scale Agricultural Cottage Enterprise
DARDNI - Department of Agriculture and Rural Development, Northern Ireland
DED - Tasmanian Department of Economic Development
DFAT - Australian Department of Foreign Affairs and Trade
DPIWE - Tasmanian Department of Primary Industries, Water and Environment
EPAT - Environmental and Natural Resources Policy and Training Project
FICT - Food Industry Council of Tasmania
ITC - International Trade Centre
PYO- Pick Your Own Operation
RIRDC - Rural Industries Research & Development Corporation
SACE - Small-scale Agricultural Cottage Enterprise
SFSC - Short Food Supply Chain
SSIC - Sindh Small Industries Corporation
TQA - Tasmania Quality Assured Inc
UNESCO - United Nations Educational, Scientific and Cultural Organisation
WBI - World Bank Institute

Conversions

1 acre = 0.405 hectares

Chapter 1

Introduction



Much like any social activity, food production and consumption is far from apolitical in nature. In fact, it is a highly charged political process that is largely directed by the possession of material and symbolic resources and the socio-cultural (such as an actor's values and beliefs). For this reason, this thesis should be read with the view in mind that food processing encompasses more than the transformation of raw agricultural product; rather, the political nature of food can be evidenced, to some extent, by the production and consumption of diverse products which result from specific processing methods (such as artisanal production, care, and responsibility for whole-of-chain production) and modes of agricultural production (such as organic or low chemical usage and low volume/high value): all being directed, in part, by cultural differences, ideologies and resource levels.



Food production is as much about the social in which the product and production process is embedded as it is about the raw agricultural produce and the environmental context in which it is grown. For this reason, a research project such as this one, which is investigating the artisanal food industry, must look beyond the transformation of the raw agricultural product and explore the social world around the process. This study takes a look at a food industry where the principals (i.e. the owners of the small businesses) are willingly or out of necessity (from the lack of resources) producing alternative products and processes to those created in the dominant, global industrialised agri-food system. These products are not only inimitable but are increasingly in demand by a growing segment of consumers.

This research examines the cottage food industry from an applied rural sociological perspective, where it is acknowledged that the socio-cultural – the principals’ and consumers’ philosophies, goals, cultural values and beliefs – in which the commodity and its production/consumption is embedded is as important as the biophysical; requiring more than just the study of a material object. The social is ultimately expressed in the types of food items produced, the methods of production, and the social relationships that

surround the exchange of these food products. It is my intention that this research will demonstrate and assist industry

“A garden isle of **cottage industries**, try out the home grown berries and fruits, honey, goat and sheep cheese, seafood and wine.”
(Quest Travel, 2003)

and policy makers by showing that development does not have to denote reaching economies of size, nor does it have to imply that the local population or those with fewer resources be excluded. This study demonstrates that an agri-food development model can embrace diversity and be inclusive rather than homogenising and/or excluding difference and the less resourceful. In so doing, the non-economic benefits of development, rather than just the economic, are valued.

This project is set within a period of economic renewal for Tasmania, with the state experiencing its “fastest growth over any three-year period in nearly two decades ... over the three years to 2003-04” (Eslake, 2005, website). One sector that has contributed to this rejuvenation is that of the primary industries. Tasmania boasts a large primary industries sector, so much so that the Minister for Primary Industries, Water and Environment at the time, Brian Green (2003, p. 3), stated that “primary industries are more important to our economy [i.e. Tasmania] than that of any other [Australian] State, underpinning a higher proportion of jobs and wealth creation.” One

sub-sector that is also contributing to the state's renewal and which is the focus of this research is that of the cottage food industry in Tasmanian agriculture. This industry is particularly significant because of its ability to use existing raw agricultural produce, local human resources and to redirect profits back into the regional community.

"It was a market [i.e. Salamanca Market] that
revealed a cottage industry hard at work holding true
to a Tasmanian theme of local produce and
celebrating the natural beauty of its island state."
(The Access Foundation, 2003)

The importance of using local agricultural product and labour, as opposed to outsourcing, is a trend that is being realised around the globe. Regional agri-food production and consumption is, in part, a reaction to the social and environmental problems that have been associated with industrial agriculture. It is this shift towards the demand for alternative food economies (i.e. alternative to intensive and globalised) that is providing opportunities for the industry under study. For Tasmania, however, this trend is doubly promising for the region has a unique climate that is more conducive to growing unusual products compared to the rest of Australia. It also offers opportunities to grow and produce off-season agri-food products for northern hemisphere markets.

Furthermore, Tasmania's status as Australia's only island state is a double-edged sword. Its isolation acting as a barrier in relation to transportation costs, whilst its geographical distance from the rest of Australia has created, and increasingly continues to create, opportunities, particularly in an era where food safety and bio-terrorism are one of the largest issues facing the food industry today. This was expressed by the Premier of Tasmania at the time, Mr Jim Bacon (1999, website), who suggested that:

The relative remoteness of our group of islands which for many years has been seen as one of our major economic weaknesses is fast becoming a major asset. And our distance from the vast population centres, our unique wilderness, our clean air water and agriculture produce and our lifestyle are the envy of the world.

One of the advantages of Tasmania's island location, and also its cool temperate climate, is the region's ability to avoid many of the natural and introduced pests that often plague agriculture. The state lacks many pests that are found throughout the rest of Australia's agricultural industry (Brand Tasmania Council, 2003a). Furthermore, the

use of chemicals is minimised due to the lack of such pests/diseases (Brand Tasmania Council, 2003a). For this and other reasons, Tasmania possesses a *clean, green and safe* image and legislated to suspend the use of genetically modified organisms in commercial food production (Brand Tasmania Council, 2003a).

As a result, the state consciously uses this identity to market its goods. In an era where the food consumer is more aware, where there are more risks associated with food consumption (safe), and, where choice is often a matter of personal values (environmental and social justice issues), the Tasmanian food product is highly valued. To take advantage of these emerging trends, the *Brand Tasmania Council* was founded in 1999, with its primary goal being to (Brand Tasmania Council, 2003b):

promote a place-of-origin branding initiative for Tasmania ... Its vision is that Tasmania be recognised as a leader in the world of islands, with a global reputation for quality products and services.

Local food markets, festivals that showcase the use of local food, and restaurants that promote the uniqueness of

Tasmania's regional fare are

plentiful. Adding to the

'clean, green and safe'

image, the state's production

and processing of unusual

(for Australia) and new (to

Tasmania) raw agricultural

product, such as wasabi, truffles, daikon (long white radish), saffron and sheepmilk

products, is gaining Tasmania and its agri-food industry a reputation for being a *quality*

food producer. The importance of the production of quality food is evidenced in *The Food Industry Council's* (2005, p.2) vision for Tasmania to achieve "an internationally

competitive quality food industry." Furthermore, this reputation is being promoted by

local processors who are creating unique products or processing traditional raw

agricultural product in diverse and innovative ways. In this research project, ***producer***

refers to those principals that produce the raw agricultural product, whilst ***food***

processor refers to those principals that are involved in *transforming/processing* the

raw agricultural product into items for intermediate or final consumption.

"The Middleton Country Expo 2003 brings together local **cottage industries** and makes known a broad range of local enterprises which should stimulate further rural employment opportunities."

(Woodbridge Online Access Centre, 2003)

In most cases, the enterprises under study are both food producers and food processors, whilst a number of the units are touted as being cottage industries and artisanal food producers. Having said that, though, it is the reputation or image of being a cottage industry and artisanal that is at the core of the research. What is of particular interest, and which has spurred this research, is that some of the larger or expanded enterprises have retained this image or identity (i.e. of a cottage industry and artisanal food producer). That is, they have preserved their identity upon expansion. To illustrate where the quandary of identity preservation upon expansion begins, and to offer a starting point for this thesis, a definition from *The American Heritage Dictionary* (2004, website) will be used, referring to a **cottage industry** as being “a usually small-scale industry carried on at home by family members using their own equipment.”

It is also important to note that these enterprises are *informally labelled* as cottage industries and artisanal. That is, in this research, **informal labelling** refers to the notion that the industries are assigned these tags unofficially by the principals of the enterprises, locals, and tourists alike. They do not adhere to formal certification schemes. This sits in opposition to **formal labelling**, which, in this research, denotes the use of official certification (such as certified organic) and is often presented as a logo on the product.

The cottage industry *is* an informal label in that it is assigned unofficially, without certification, by specific actors. As these enterprises experience success and grow, the predicament is that they are susceptible to losing the very characteristics that made them valuable in the first place.

That is, it is the smallness and associated qualities (social and environmental) that adds value to these products and creates demand;

while, paradoxically, it is these very qualities that are at risk of being lost when this demand necessitates expansion.

“Cottage industries abound around the state and many of them go on to **bigger things.”**
(Riverbank Cottages, 2002a)

At first glance the above paradox appears not to occur (i.e. that there is no loss of meaning/characteristics), especially when this is backed up by such phrases as “multinational cottage-type industry”, which was coined by one of the research participants. This certainly is a contradiction in terms; however, it does

The “Multinational Cottage-type Industry”

demonstrate that those who know the industry see something in the larger enterprises

that are present in the smaller units. Thus, the problem that directed this research is the paradox of enterprise expansion in the cottage food industry in Tasmanian agriculture. This chapter will discuss the problem that directed the study; its significance to the Tasmanian economy and its people; the research aims of the project; and, the structure of the thesis.

The Problem Statement: The Paradox of Enterprise Expansion in the Cottage Food Industry in Tasmanian Agriculture.

Cottage food enterprises sell their products with specific meanings and identities attached. These meanings and identities encompass not only the product but the whole picture (the context), from who made it, to how it was made (the social). In turn, the information consumer, also the food consumer, potentially embodies these meanings upon consumption

“Cottage industry is the phrase that springs to mind when you think about Tasmanian jam and jelly makers, although several have become **dangerously successful** and are on the verge of becoming thriving businesses.”
(Riverbank Cottages, 2002b)

of the product. However, once these units expand, it would be expected that these enterprises lose at least some of the very qualities and characteristics that made them different and informally labelled as artisanal and cottage industries in the first place.

In a marketplace where the product’s image has the potential to add significantly more value to the food item than simply the transformation of raw materials, the small-scale agricultural cottage enterprise (SACE), which uses artisanal production techniques, has the potential to attract higher prices and a larger segment of the consumer market. The value lies in the embodiment of meanings attached to the product. In other words, the consumer not only consumes the agricultural product, but the various meanings they attach to the food item, which is where the added value often lies.

Using the above definition, examples of the meanings that a consumer may attach to a product and embody could include such characteristics as hand-made/artisanal; produced by a family unit; produced with care; and, locally produced. Meanings that may be associated with the product include the way/where the food is grown (e.g. small scale versus mass produced or organic and local); the manner/ location in which it is processed (e.g. artisanal versus fully mechanised or mother’s kitchen versus factory); the way/location it is served (e.g. family and personal versus large numbers of

impersonal wait staff or heritage building versus new building); the values that the farmers/processors/servers possess; and, even the relationships that exist within the food chain (e.g. local versus global).

However, the paradox of expansion suggests that upon success and enterprise expansion meanings, such as artisanality, could be, or are lost. For example, the high labour content involved in artisanal production methods may no longer be possible upon expansion and quantity increases. The small-scale may turn into large-scale and mass production or the family unit may be forced to employ staff. Additionally, the tensions may extend further to the consumer who wants to continue to buy *authentic* cottage industry products. The conflicts may also lie in the food producer themselves where values and beliefs may have to be compromised. The problem, then, is the paradox of enterprise expansion in the artisanal, cottage food industry in Tasmanian agriculture and the question is how have these units, if they have, overcome this dilemma? Moreover, if the small-scale enterprise has successfully expanded and retained such meanings, what then defines a cottage enterprise? Is the cottage enterprise or artisanal tag (i.e. informal identity/label) even meaningful?

In a marketplace where food items are increasingly competing on 'quality' terms and where the cottage industry's products are considered 'quality', opportunities abound. The development of this industry, based on quality food production, has both direct and far-reaching benefits. Cottage industry development can be viewed as a means of promoting local (endogenous) regional development, utilising both local agricultural produce and people, (i.e. their skills, knowledge, and social networks) and retaining profits locally. Democratic decision-making by the locals for the locals is also considered an important characteristic of endogenous development and involves the use of:

though not exclusively ... locally available resources, such as the potentialities of the local ecology, labour force, knowledge and local patterns for linking production to consumption (van der Ploeg and Long, 1994, p.1)

Tasmania's reliance on agriculture, and the increasing collapse of industries based on economies of size development models due predominantly to the price/cost squeeze phenomenon, suggests that industries (such as the cottage industry) which use local resources and are based on high value/low commodity production have never been

more important. The opportunities provided by these industries, to retain profits within the region, are plentiful. The significance of this research is positioned within a collaborative effort towards sustainable growth in Tasmania. This is evidenced by the *Tasmanian Food Industry Strategy's* (2005) alignment with policies developed and referred to in *The State of Growth* (a strategy to develop the primary industries in Tasmania) by Brand Tasmania, and a number of goals from *Tasmania Together* (a long term economic, social and environmental vision for the future of Tasmania) (FICT, 2005). Of particular relevance to this study are the eight strategies that the Food Industry Council of Tasmania referred to in the *Tasmanian Food Industry Strategy* (2000, p.3), which are to:

1. *Improve awareness of and responsiveness to **the consumer, markets and external opportunities**;*
2. *Develop and promote Tasmania's **distinctive and unique 'island' qualities** as a food producer;*
3. *Ensure consistent and sustainable **high product quality and safety**;*
4. *Develop a culture of and commitment to **success and excellence** and create **strategic networks and alliances**;*
5. *Identify and **address constraints** to profitability, growth and international competitiveness;*
6. *Increase the **value-added** component of Tasmanian food production;*
7. *Encourage **long-term sustainability** of resource use, including water; and,*
8. *Ensure **adequate allocation of resources** by industry and government; and monitor and evaluate progress and ensure feedback.*

Owing to Tasmania's combination of resources (i.e. natural, heritage tourism and agricultural), a thriving cottage industry sector in Tasmania will also benefit associated sectors, adding exponentially to the mix. One such allied sector is tourism and the importance of merging these resources is demonstrated in *Tourism Tasmania's Wine and Food Strategy* (2002, p.2), which suggests that:

Tasmania's competitive advantage – and its point of differentiation from other visitor destinations – lies in its mix of wine and food with the appeal of natural beauty and history.

Hence, a thriving cottage industry can also offer benefits to those industries that are indirectly associated with the agri-food sector in Tasmania. The expansion of this industry also provides opportunities to decrease domestic rural unemployment, particularly if there are increases in the number of successful expanded small-scale agricultural cottage enterprises (ESACEs) which employ locals. The small-scale agricultural cottage enterprise (SACE) can also provide self-employment opportunities

for the unemployed or underemployed. Moreover, local ownership and local employment indicates that profits will be retained and spent locally, having a flow-on effect for surrounding communities.

Finally, success within the cottage industry may offer some degree of environmental protectionism; owing to part of the product's value originating from the *clean* and *green* image that the state promotes and the industry's non-reliance upon intensive agriculture. Small-scale and local by no means guarantees sustainable agricultural practice; however, the lack of industrial agriculture indicates that the production of the raw product is less likely to be as environmentally degrading. In addition, a segment of the principals are guided by their values and beliefs surrounding environmentally sustainable agriculture.

Thus, this study sets out to examine the paradox of enterprise expansion in the small-scale agricultural cottage enterprise. The significance of researching this problem is direct and far-reaching; potentially offering myriad economic, social and environmental benefits. Accordingly, a number of research aims were developed in order to investigate the paradox that exists as the small-scale enterprise expands.

The Research Aims

The overarching aim of this research was to gain an understanding of how cottage food enterprises in Tasmanian agriculture expand and subsequently preserve (if they do) associated meanings and identities. Thus, the aims of this project were to:

- develop an understanding of the cottage industry sector in Tasmania that covers all dimensions and that takes a participant's perspective;
- discover the similarities and differences that exist between cottage industries and those that have since expanded;
- ascertain the factors that have promoted or inhibited the success of cottage industries in Tasmania;
- consider the appropriateness of theoretical applications such as endogenous regional development (ERD);
- examine the ERD model as a potential framework for understanding cottage industry development in Tasmania; and,
- provide policy and practice recommendations for enhancing the development of cottage industries in Tasmania.

Scope of the Study

In order to investigate the paradox of expansion, the boundaries of the research include:

- *Geography* – Only those enterprises located in Tasmania are included in the study. The enterprises under study may or may not sell in national or international markets, but are located and based within the state;
- *Scale* – The research problem and aims of the study require an in-depth investigation into the industry. As such, this project selects and examines a number of case studies and artisanal units, rather than conducting a large scale survey across the entire population. The characteristics of an artisanal, cottage industry are elaborated upon and described in Chapter 3;
- *Expansion* - The core research problem under study is the paradox of enterprise expansion in the artisanal, cottage food industry in Tasmanian agriculture. For this reason, it was necessary to examine both small-scale cottage enterprises and those that had expanded past the small-scale stage;
- *Food Processing* - Many of the enterprises presented in the study also produce the raw agricultural product that is used, as well as process it. The investigation does not include non-edible processed items (such as essential oils, clothing);
- *Consumer Dimension* - Although the consumer dimension is pertinent to this research, it should be noted that it is outside the scope of this study;
- *Time* - The research project spanned across 2003 to 2006. Data collection occurring predominantly within the 2003 and 2004 time period. As such, the study is cross-sectional rather than longitudinal;
- *Unit of Analysis* - The thesis is essentially exploring a range of issues associated with artisanal enterprises. As such, the unit of analysis is the artisanal, cottage food enterprise;
- *The Topic* - The thesis is primarily concerned with the quality food debate and the concept of Endogenous Regional Development. There are, however, a number of related sub-fields of literature and theoretical approaches that have been considered due to their relevancy.

The following section describes the structure of the thesis, how the chapters relate to each other, and the role of each chapter in investigating the research problem and achieving the research aims.

Structure of the Thesis

To examine the research problem, the thesis is presented in four parts. The first part incorporates Chapters 1 to 3, offering a contextual backdrop and literature to assist in the examination of the problem (i.e. the paradox of expansion/identity preservation). A scoping study (Chapter 2) was initially carried out to provide familiarity with the subject matter. This scoping study was necessary as the topic had been previously unstudied and the researcher was unfamiliar with the phenomenon. The findings from the scoping study are presented in *Chapter 2* and are developed from a study of eight vignettes and additional contextual information. Apart from assisting in developing the findings, the study of the vignettes demonstrates the diversity within the sector and introduces the reader to the industry. This chapter uncovers issues and the contextual backdrop in which these industries are situated and, via the discovery of these issues, themes and concepts, directs the literature that is reviewed in Chapter 3. It also assisted understanding during data analysis and investigation of the research problem.

Chapter 3, the literature review, was based around the findings in Chapter 2. Chapter 3 provides a critical examination of the literature and offers the reader further insights into the context of the problem. From the literature review, the main research question and five research sub-questions were developed. The literature also provided relevant theoretical perspectives surrounding the study and discussed salient concepts: all of which assisted analysis of the research findings.

The second part of the thesis presents the research design for the project's second data collection phase. The first research design was presented for the scoping study in Chapter 2, whilst *Chapter 4* offers the research design for the main data collection phase and demonstrates how the research questions arrived at in Chapter 3 (the literature review) are to be investigated (i.e. the research design). This chapter presents the second data collection phase and predominantly consists of case study research. Six case studies (three small-scale enterprises and three that had expanded) were purposively selected to investigate the research questions arrived at in the literature review. Once the research design had been carried out, the results were presented in Chapter 5.

The third part initially presents the six case studies included in the project. Chapter 5 offers the results which were arrived at after the research process described in Chapter 4 had been undertaken. Salient concepts and issues were presented in the chapter, whilst

less significant findings were attached in the appendix. The findings presented in Chapter 5, together with the literature reviewed in Chapter 3 and the scoping study findings from Chapter 2 were employed in investigating the research questions and in developing each of the discussion chapters.

The final part of the thesis presents three main discussion chapters (Chapter 6, 7 and 8). These investigate each of the research questions developed in the literature review (see Chapter 3). These chapters work together to answer the overarching research question: ***How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?***

Chapter 6 examines the meaningfulness of the informal artisanal and cottage industry identity/label. The research question (Sub Question 1.1) that prompted this examination was: ***Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?*** To undertake an investigation surrounding an industry that has been assigned a socially constructed label/identity, it is firstly necessary to look at the appropriateness of this identity/label. Why and how do the enterprises and others identify these units as cottage industries? If the label is appropriate, why is it? If the label is not appropriate, why and how is it being ascribed? More specifically, the thesis concerns the paradox of expansion which includes identity preservation despite growth. Before investigating the preservation of the cottage industry identity (if it has been preserved), it is necessary to research whether the identity is appropriate in the first place. Thus, the appropriateness of these informal identities was investigated by applying the defining characteristics to the case studies, which were developed in the literature review. Also examined was the significance of the processors' self-categorisations and self-definitions to identity membership.

Chapter 7 offers an examination of the preservation of artisanality upon expansion and investigates the problem that these enterprises are faced with; that is, the paradox of expansion and potential loss of meaning/characteristics. Thus, the research question (Sub Question 1.4) investigated was: ***How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?***

Another identity that is susceptible to loss upon expansion (i.e. the paradox) is that of quality meanings. Thus, the constructions of quality associated with the enterprises/products under study are presented and examined in *Chapter 8*. The

research questions (Sub Question 1.2 and 1.3) explored in this chapter were: ***What contestations exist over the meanings of quality and how has it been reproduced over space and time?*** and ***How have the expanded enterprises managed to expand without losing quality meanings?*** This examination demonstrates that because quality is multi-faceted and socially constructed the characteristics that are potentially lost upon expansion can be substituted by other quality characteristics, with specific attributes remaining throughout the expansion process.

The final research sub-question (i.e. Sub Question 1.5) – ***What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?*** – was explored throughout each discussion chapter, utilising the findings from each to demonstrate current happenings and potentialities in relation to developing the industry.

Finally, *Chapter 9* presents the conclusion chapter, which overviews each of the research questions and offers conclusions; policy and practice recommendations; and, areas for future research and limitations to the study.

Chapter 2

A Preliminary Scoping Study

Section I: Introduction and Contextual Background

This chapter presents the scoping study, which was the first data collection phase undertaken in the project. A preliminary exploration of the research problem in the form of the scoping study helped to discover identities attached to the cottage food industry in Tasmanian agriculture and other related issues. It was thus possible to refine the investigation, delineate a context in which the cottage industry is situated, examine a number of cottage industries and describe them in the form of a series of vignettes. The scoping study helped to reach a set of associated findings based on the examination of data from a number of sources (such as interviews, newspaper, tourist brochure, Internet, on-site visits). These findings, in turn, directed the literature review (presented in Chapter 3) and the subsequent development of a set of research questions. By conducting the scoping study, the overall research is strengthened through focusing on the issues and adding validity to the major findings. Thus, this chapter is presented in three sections:

- Section I: Introduction and Context;
- Section II: The Scoping Study's Research Design and an Introduction to the Cottage Food Industry in Tasmanian Agriculture; and
- Section III: The Scoping Study Findings.

Section I presents the contextual background to the study, which sets the scene and assists in understanding associated issues and concepts. In order to ground the scoping study findings, eight cottage industries were examined and outlined. The investigation of each cottage industry or enterprise-type culminated in the development of a vignette, which is presented in Section II. Thus, Section II describes *how* the research in the scoping study was undertaken (i.e. the research design) and offers a series of eight vignettes, which introduce and demonstrate the diversity and the issues within the industry. Five of the enterprises that participated within Section II were interviewed, whilst three of the vignettes were developed through informal conversations and the scanning of documents (e.g. newspapers, Internet, tourist brochures). The eight enterprises explored in this chapter and presented in the vignettes will be referred to throughout the thesis as 'the vignette industries' or 'the vignettes'. The final section of

this chapter – Section III – presents a set of findings related to the paradox of expansion (the research problem), which are used to direct the literature reviewed in Chapter 3.

Thus, apart from why the scoping study was needed (the rationale), how it was performed (the research design) and what it includes (salient issues, actors, concepts and contextual background), the findings from the preliminary scoping study perform four important functions (*what purpose it serves*). These include that the findings:

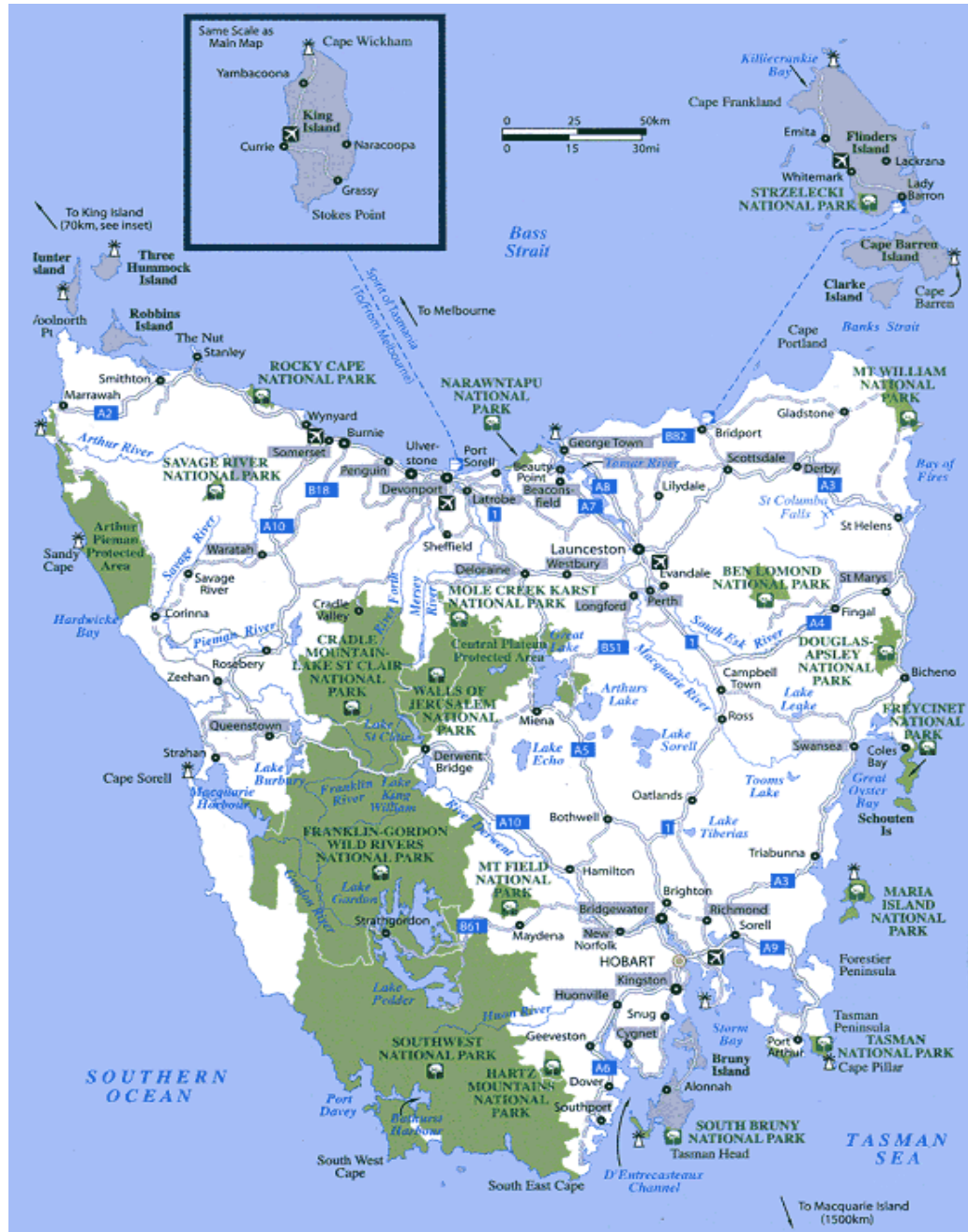
1. offer a preliminary understanding of the research problem;
2. direct and focus the research and the literature review (i.e. Chapter 3);
3. direct the questioning during data collection in the main study (i.e. case study analysis); and,
4. offer a context which assists understanding in later analysis and in the discussion chapters.

Tasmania: Australia's Only Island State

Tasmania is Australia's only island state and is located approximately 250 kilometres from the Australian mainland (Brand Tasmania, 2005b). It is a small land mass by Australian standards, measuring only 315 kilometres across and 286 kilometres north to south at its broadest (Brand Tasmania, 2005b) (see Figure 2.1) and with a total of 68,401 km² comprises less than one percent of Australia's total land mass (Geodata, 1993) (see Table 2.1).

Population wise, the state is also small in absolute terms. In June 2005, the island's entire population totalled 485,300 (ABS, 2005b), which was just 2.4 percent of Australia's total population (ABS, 2005b). The state is also somewhat unique in that the whole island is classified as regional (DED, 2003). In contrast, Tasmania has the third highest population density out of the seven major Australian states and territories (i.e. 7.09 persons/km²) (ABS, 2005a) (see Table 2.1). The population densities for the other major Australian states and territories include: Victoria 22.08 persons/km²; New South Wales 8.46 persons/km²; Queensland 2.29 persons/km²; South Australia 1.57 persons/km²; Western Australia 0.79 persons/km²; and the Northern Territory 0.15 persons/km².

FIGURE 2.1: MAP OF TASMANIA



Taken from: Ozhorizons, 2006

OzWineTours.com, 2005

TABLE 2.1: AREA, POPULATION AND POPULATION DENSITIES OF AUSTRALIAN STATES & TERRITORIES

STATE/ TERRITORY	TOTAL AREA (square kilometres)	TOTAL AREA %	POPULATION AT END JUNE 2005 (^{'000})	POPULATION DENSITY (persons/km ²)
Australian Capital Territory	2 358	< 1	325.2	137.91
Victoria	227 416	3.0	5022.3	22.08
New South Wales	800 642	10.4	6774.2	8.46
Jervis Bay Territory	73	< 1	611 ¹	8.37
Tasmania	68 401	0.9	485.3	7.09
Queensland	1 730 648	22.5	3964.0	2.29
South Australia	983 482	12.7	1542.0	1.57
Western Australia	2 529 875	33.0	2010.1	0.79
Northern Territory	1 349 129	17.5	202.8	0.15

¹ Jervis Bay Territory's population fluctuates throughout the year <http://www.dotars.gov.au/terr/jervis/index.aspx>

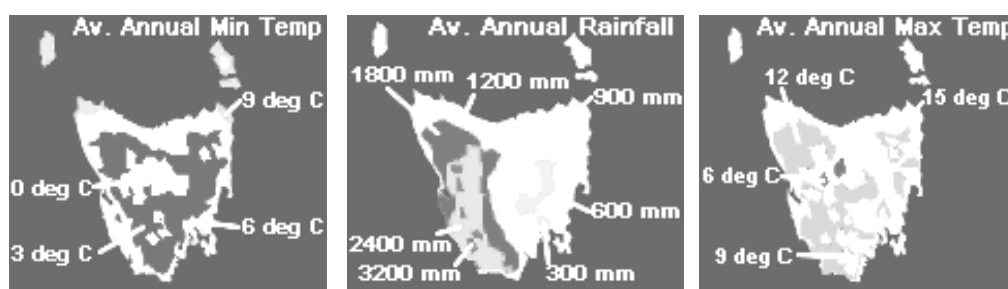
Adapted from GEODATA 100K Coastline Database, 1993; ABS, 2005a

Climate

Due to Tasmania's positioning as Australia's most southern state, it experiences a distinctive climate. The island sits within a cool temperate zone (42 degrees south longitude) and this climatic difference promotes opportunities for the agricultural sector in Tasmania. Within the domestic market, the climatic differences permit the production of distinct raw agricultural produce different to that seen on the mainland, whilst within the international arena, the state is able to supply agricultural produce to the northern hemisphere during their off-season (DPIWE, 2003a).

Another characteristic of Tasmania's climate is that it is home to a range of diverse climatic sub-regions. This is partly due to the range of differences around the state between the average annual minimum and maximum temperatures and the average annual rainfall (see Figure 2.2).

FIGURE 2.2: TASMANIA'S CLIMATIC VARIATIONS: TEMPERATURE AND RAINFALL



OzWineTours.com, 2005

Perhaps the best representation of this climatic diversity is the different wine sub-regions within Tasmania which mostly reflects the climatic variations around the state. The Tasmanian Department of Primary Industries, Water and Environment (2003b) has categorised the state into seven wine sub-regions: the North West; Tamar Valley; North East; East Coast; Coal Valley; Derwent Valley; and the Huon/Channel (DPIWE, 2003b). Another breakdown of these wine sub-regions is shown in Figure 2.3 which shows 18 individual areas (OzWineTours.com, 2005).

FIGURE 2.3: A BREAKDOWN OF TASMANIA'S WINE SUB-REGIONS



Taken from <http://www.ozwinetours.com/tasfindreg.html>

The climatic factor, particularly its difference, plays a central role in the agri-food industry throughout Tasmania; whilst the economic backdrop/history of the region is also important in understanding the industry.

The Economy

In decades past, Tasmania has suffered from poor economic performance (Eslake, 2002). However, “Tasmania’s economic growth performance has much improved so far this decade” (Eslake, 2004, Slide # 2). Some of the indicators that demonstrate this upturn have been increases in real gross state product, employment, housing investment, consumer spending, and business investment (Eslake, 2004, Slide #2-4).

Closely associated with the state's poor economic outlook has been net out-migration. However, Tasmania is "no longer suffering a population drain across Bass Strait" (Eslake, 2004, Slide #3), with those choosing to settle here mostly in their 50s and those in their 20s and 30s continuing to depart (Eslake, 2004, Slide #3). In 2002-03, Tasmania had its first "net interstate migration gain" since 1990-91 and was one of only two Australian states that experienced this for the year of 2002-03 (ABS, 2005b). The Tasmanian Minister for Economic Development, Lara Giddings, described this turnaround in both migration patterns and the economy as "unimaginable":

To not only be experiencing strong population growth, but also net interstate migration gains seemed unimaginable just a few years ago. This is combined with record levels of job creation and demand for Tasmania's goods and services that are exceeding national growth (DED, 2003, website).

The geographical isolation of the state, its relative small population, the fact that one-third of the island is national park/reserves (Brand Tasmania, 2005b), and its natural beauty, have seen the state that was once known as the 'apple isle' become the 'tourist isle'. Over the past two years, visitor tourist numbers have increased by almost 45 percent (Eslake, 2004, Slide # 6). As part of this development, "11 Touring Routes" were established (Tourism Tasmania, 2003a), which showcase, in part, Tasmania's food industry. Mr Wells, Tourism Tasmania's Acting Chief Executive at the time, suggested that:

The best way to discover Tasmania is undoubtedly by touring – our winding roads through breathtaking scenery, taking in the State's three core attributes in nature, cultural heritage and wine and food (Tourism Tasmania, 2003a, website).

Apart from tourism, the economy is made up of a diverse range of industries, from marine manufacturing (e.g. catamarans) to mining technology to aquaculture (Brand Tasmania, 2005b). One of the economic activities Tasmania is principally well-known for is its agri-food sector, featuring such products as:

specialty cheeses and dairy products, mouth-watering seafood, Atlantic salmon, beef, premium beers, award-winning cool-climate wines, leatherwood honey, mineral waters, fine chocolates, fresh berry fruits, apples and crisp vegetables ... essential oils such as lavender, premium wool sought after in Europe and Japan, and pharmaceutical products (Brand Tasmania, 2005b, website).

Tasmania is heavily reliant on the primary industry sector (i.e. agriculture, aquaculture and food and beverage industries) which comprises over a quarter of the state's exports (DPIWE, 2003e). Approximately five percent of the state's workforce is employed in the agricultural industry (DPIWE, 2003a). The wide variety of produce includes potatoes, pyrethrum, poppies and vegetables (e.g. broccoli, cauliflower, carrots, peas, beans) (DPIWE, 2003a). Other prominent agricultural activity includes beef farming, milk cattle farming, sheep farming and fruit production (ABS, 2003).

To tie this into the national context, Australia's food processing industry, in general, is a major earner for the country. "The processed food industry is Australia's largest manufacturing sector, adding value to Australia's agricultural commodities for markets in Australia and around the world" (AFFA, 2002b, website). In the 2000-2001 period, the turnover reached \$55 billion and was 2.2% of Australia's gross domestic product (AFFA, 2000a). Since 1980, Australia's international trade in bulk agricultural produce has decreased, whilst trade in food has increased (Troeth, 2001). Its significance to rural and regional areas is enormous, with approximately half of these food and beverage firms and 40 percent of their labour force being situated within Australia's rural and regional areas (Troeth, 2001).

Despite the prominence of the food processing industry in Australia, there are significant opportunities yet to be realised. This is also the case within the food industry in Tasmania and it is these potentialities that current state policies are promoting (such as *The State of Growth*). The importance of the food processing sector to Tasmania is of even more consequence than the sector is to Australia, with food processing accounting "for 30% of the value added by the State's manufacturing sector, far above the national average of 20%" (DPIWE, 2003e). In 2000, the Food Industry Council of Tasmania – which is the "key advisory body committed to pursuing the strategic and sustainable growth of the food industry sector and the Tasmanian economy through the implementation of the *Food Industry Strategy* and *The State of Growth* strategy" (FICT, 2005, p.2) – stated that its core aim was to double the state's food and beverage production by 2010 (FICT, 2000). In the 2005 revised Food Industry Strategy, the vision is one of attaining "an internationally competitive quality food industry" (FICT, 2005, p.2). This will be achieved by:

- *Positioning – To build on Tasmania’s ‘clean, green and safe’ island advantage to market its products;*
- *Sustainability – To develop and implement credible standards designed to support and deliver products that will enhance brand value by adopting environmentally sustainable practices and production methods;*
- *Competitiveness – To create, develop and capitalise on Tasmania’s food industry and its market specific competitive advantages; and,*
- *Growth through Innovation – To deliver product and market innovation that will achieve growth in the food and beverages sector (FICT, 2005, p.2).*

One of the policies that the *Tasmania Food Industry Strategy* (2005) aligns with is *The National Food Industry Strategy* (NFIS) (FICT, 2005). The NFIS is an initiative jointly agreed to by industry and the Australian government. The primary aim of the initiative is to “ensure that by 2007, the Australian food industry will be a significant global player with a sustainable and profitable role in the global food product system” (AFFA 2002a). The NFIS “highlights actions designed to increase the focus on innovation, supply chain management and firm level competitiveness” (AFFA, 2002b).

In line with the mission referred to in the *Tasmanian Food Industry Strategy* (2000); that is, “to double annual turnover from \$1.7 billion to \$3.4 billion by the year 2010” (FICT, 2000, p. 3), a number of issues have been raised by industry, including:

“developing new opportunities, branding, other land uses, water resources, sustainability, maintenance of quarantine and marketing advantages, skills and labour availability, quality and product safety including introduction of environmental management systems, freight issues, and overall competitiveness through reducing the cost of doing business.” (DPIWE, 2003e).

Despite the wide range of agriculture and food processing industries in Tasmania, from deer pastrami to elderflower beverage, there are three particularly prominent industries. These include the wine, cheese and berry sectors. Tasmania’s first wine product was said to have been presented in a Paris exhibition in 1848; however, it was thought that the island state was too far south for the berries to ripen (Tourism Tasmania, 2002b). It was not until the 1950s that a couple of European Tasmanians saw the similarities between Europe and Tasmania in soil and climate and began growing and producing (Tourism Tasmania, 2002b). In 2002, there were 156 vineyards in Tasmania, with 13

large and 15 smaller commercial wineries (DPIWE, 2003d). There are also a small number of operators that have established restaurants and elaborate cellar doors, however:

Many are smaller, where you might share the tasting room with the vineyard tractor, and the knowledgeable person pulling the cork is likely to be the pruner, the picker, the bottle washer, the winemaker and the owner – the personality of the wine itself (Tourism Tasmania, 2002b, p. 5).

Comparatively speaking to the rest of Australia, Tasmania's wine industry is extremely small, producing less than 0.5% of the nation's wine; however in value it is much higher (DPIWE, 2003d). This is because Tasmania has tapped into the quality market rather than just the quantity market. Andrew Pirie, a well-respected local vigneron, suggested that:

“the notion of limited quantity to gain quality and a higher price is something that the industry is aware of. Limited quantities and the notion of producing less than a certain tonnage of grapes per hectare is something that many of the vignerons are knowledgeable of” (ABC, 2002a, website).

Tasmania produces many different grape varieties but the significant types are Pinot Noir, Chardonnay, Cabernet Sauvignon, Riesling and Sauvignon Blanc (DPIWE, 2003d). The major competitors to Tasmanian wines are located in other cooler climates around Australia and the world, and the market for warm climate wines also impacts on the competitiveness of Tasmanian wine (DPIWE, 2003d).

Another major agricultural industry in Tasmania is the dairy industry. The dairy sector is a major earner for the state, with 600 dairy farms in Tasmania in 2001/02 and the value of milk production reaching \$148 million (DPIWE, 2003c). The state produces approximately one tenth of all of the nation's dairy products (Brand Tasmania, 2005a), with approximately 93% of the state's milk being manufactured into value-added products (DPIWE, 2003c). The dairy industry, like so many others in the state, benefits from the clean and green image, the moratorium on genetically modified organisms, and the fact that the farms have “the lowest capital costs in Australia and milk prices that are on a par with Victoria and efficient pasture based farming resulting in low costs of production” (DPIWE, 2003c). Like the wine industry, Tasmania only produces a small percentage of the total milk production in Australia: six percent (DPIWE 2003c). There has been investment and concentration of the dairy industry in recent times in

Tasmania (less farms, increases in herd size, increase total milk produced) with “a number of farms each milking over 800 cows” mainly in the North West and North East of the state (DPIWE, 2003c). However, dairy processing businesses in Tasmania are small-scale compared to the mainland and “a number of farmhouse cheese operators” exist, where the milk is produced and processed on-farm (DPIWE, 2003c). It is suggested that despite the high costs associated with transport across Bass Strait, the dairy industry is competitive due to the production of “premium quality” products (DPIWE 2003c). Some of these quality dairy products which have gained rave reviews include the wide variety of cheeses, such as “brie, camembert, cheddar, gruyere, soft, edam, gouda, triple cream and blue cheeses” (Brand Tasmania, 2005a).

Another prominent agri-food industry in Tasmania is that of the berry sector. The main commercial berry crops produced nowadays in Tasmania are strawberries, raspberries, blackcurrants and blueberries (DPIWE, 2005). Once a producer of bulk berries for processing from many small farms, the industry now comprises large volume/highly mechanised operations, with the focus being on the fresh berry market and processing (DPIWE, 2005). The Tasmanian berry sector comprises just over two per cent of the nation’s industry and is worth approximately 2.4 million dollars (DPIWE, 2005). Owing to the fact that berry processing does not require a great deal of equipment, capital or time compared with wine or cheese processing, there are many small processors around the state that make and sell berry products. These are most evident in the local markets that abound around the state.

The previous section introduced the state of Tasmania and demonstrated the importance of the agrifood industry to Tasmania’s economy and people. The following section presents the scoping study’s research design and provides outlines of the eight industries that partly assisted in arriving at the scoping study findings.

Section II: The Scoping Study's Research Design and an Introduction to the Cottage Food Industry in Tasmanian Agriculture

This section describes *how* the scoping study was undertaken and offers a series of eight vignettes to *introduce* the diversity and issues within the cottage food industry in Tasmanian agriculture. Five of the vignette industries presented here were interviewed, whilst three were developed through informal conversations and a scanning of the documents.

The aim of the preliminary data collection phase was to immerse the researcher and project in information surrounding both the phenomenon under investigation (i.e. the cottage food industry, identity preservation and enterprise expansion) and the context. The methods of data collection included scanning of documents and semi-structured interviewing the participants in which involved a number of key informants from a diverse range of cottage industries. The key informants were interviewed and a series of vignettes were developed. The interviewing of key informants occurred because of their awareness of the industry and their ability to name additional participants to be interviewed (i.e. snowball sampling).

Data Collection

The research methods chosen and the participants selected were based on the aims of the scoping study: that is, to introduce the industry and discover the salient issues, actors and related concepts. Thus, the use of semi-structured interviews were considered essential data collection tools since they allowed the participant to talk freely and the researcher to pursue other information that would have otherwise remained unknown. This format was used during the interviewing of both the key informants and the vignette participants. Interviewing provided predominantly qualitative data, which enabled understanding “based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting” (Creswell, 1994, p. 2). A significant amount of secondary data was also gathered via document research through the examination of newspapers, the Internet, and tourist brochures. This was also principally qualitative in nature.

The purpose of the preliminary study also directed the sampling of participants. That is, all participants were purposively selected. Key informants were selected on the basis of

their familiarity with the industry, whilst vignettes were selected to showcase the diversity within the industry.

Participant Selection

The participants chosen for the initial data collection phase were purposively selected for their local knowledge and ability to provide information-rich data. *Purposive sampling* is a technique used to select participants who are “especially informative” and enable more in-depth understanding, rather than providing generalisations (Neuman, 2000, p.198). Participants were initially sourced by scanning documents (e.g. local newspapers, food and wine guides, and web sites), word-of-mouth, and on-site visitations of local produce markets and retail outlets. The key informants provided *their* understandings of what it *means* to be a cottage industry, the background to the industry, and important issues concerning the industry.

Whilst interviewing, particularly the key informants, participants were asked to recommend other information-rich and/or similar actors who could potentially act as participants for the first and second data collection phases. This produced a form of *snowball sampling*, where the earlier cases in the sample assist in the identification of additional sample participants (Sullivan, 1992). Snowball sampling is advantageous when there is no other method for finding the research participants (Glesne, 1999) and proved particularly useful in this scenario because of the lack of existing knowledge surrounding the industry. The key informants interviewed included a director of a rural development agency, a product development consultant in the state government’s tourism department, a radio reporter on rural issues, a local food writer, and a representative of a federal government department which is the principal supporting agency for industry.

The enterprises in the vignettes that were purposively selected to feature in the scoping study’s Section II presented here included: one wine processor; one cheese processor; and, six jam processors. Initially a database of possible participants was developed from scan of documents (tourist brochures, newspapers, the Internet) and snowball sampling. This database guided not only the vignette sampling, but also the purposive sampling of the case studies in the main methodology. In relation to the vignette participants, sampling was conducted in order to demonstrate the diversity within the industry and discover the widest range of related issues and concepts as possible. Such differences included the methods of selling employed, the geographical area they sold in, and other business activities that the enterprises conduct (see Table 2.2). However, the vignette

participants were also selected on their similarities (such as size of business, non-commercial look of the label, and descriptors used in relation to the products and businesses), which largely were responsible for grouping them as cottage enterprises.

TABLE 2.2: CHARACTERISTICS OF THE VIGNETTES

Vignette	Food Product	Other Business Activities	Raw Product Sourced	Method of Selling/ Distribution	Geographical Area Sold
1	Wine	None	On-farm	Only cellar door	On-farm only
2	Cheese	wool, beef, cereal, strawberry runners, specialist	Sub-regional	National/Intern'l distribution (1 local outlet)	Up to international
3	Jam	B&B	Sub-regional	Through B&B; on-site; other small, local retailers	Sub-regional
4	Jam	Hand made gifts/souvenirs (retired)	Backyard	Through Post Office only (weekends only)	A few kilometres from house
5	Jam	B&B	Sub-regional	Through B&B; on-site	On-site
6	Jam	Raw product (retired)	Sub-regional	In Van on road	Sub-regional
7	Jam	Commission basis (retired)	All areas	Through charity/fund raising shops	Sub-regional
8	Jam	None (retired)	Backyard	Only at market	Sub-regional

Research Methods

The research methods employed in the initial phase of data collection were participant observation (in the sense of visiting local food and wine markets and on-site visits), scan of documents and semi-structured interviews. By visiting a number of local food and wine produce markets and points of sale, I closely aligned with Glesne's (1999, p.44) "observer as participant". This not only assisted me in further understanding those participants involved in the study but also the context and other important issues and concepts. In addition to this, a number of local fine food shops were scanned for produce in order to identify other potential participants.

Scanning documents was chosen because of the ability to: utilise "existing sources" (Kellehear, 1993, p.51); gather additional data unobtrusively; and, identify additional

participants. Moreover, by using data present in existing documents and crosschecking this data, trustworthiness is enhanced (Glesne, 1999, p.58). That is, by using multiple research methods/sources data can be verified, thereby adding to the validity of the research. Owing to Tasmania's active food, wine and tourist industry, ample tourist brochures and guides were available from which to source relevant information. Local newspapers and participants' websites were also found to offer industry-relevant information and data on participants.

The *semi-structured interview* or semi-standardised interview was chosen because of the need to deviate and 'probe' beyond the interview schedule (Berg, 1998, p.61). The semi-structured format was considered appropriate because of the goal of data collection (i.e. scoping) and the lack of existing information/researcher's knowledge on the topic. That is, this format enabled the researcher the "free[dom] to pursue other lines of inquiry that seem[ed] fruitful" (Sullivan, 1992, p.128) and offered the opportunity for the participant to feel that they could volunteer information. Thus, despite having certain concepts that were felt to be significant (i.e. included in the prompt sheet) many of the interviews were conversational in style. This relaxed participants and built rapport. The interviews with key informants and vignettes lasted between 30-60 minutes. The interview schedules were adapted in each case, depending on who was being interviewed and their background.

Design of Instruments

The prompt sheet for the key informants and principals (i.e. the owner-operators of the cottage industries) was framed around the notion that this was a scoping study and a range of information needed to be gathered. The prompt sheet was also, in part, guided by prior background reading. Of course, reading within the literature had taken place prior to the initial data collection phase; however, without possessing an in-depth knowledge of the industry and the salient issues, a narrowing of the topic could not be performed. The prompt sheet was not seen as limiting the breath of data collected due to the use of a second data collection method (i.e. scan of documents) and the nature of the semi-structured interview to probe for, or follow, other lines of data.

The prompt sheet differed between the key informants and the participant enterprises; however, many of the questions surrounded the same set of issues and concepts. In this early phase, the prompt sheet reflected the intended aim of data collection, which was to develop a series of vignettes, uncover salient issues and provide contextual

information (see Appendix B). The familiarity of the key informants with contextual information directed the construction of their prompt sheets (see Appendix A).

Critique of the Methodology

This scoping study was partly aimed at discovering the broader picture. The goal was to immerse the researcher in data and findings and to direct the literature review and the second data collection phase. Thus, it is acknowledged that this data is not thought of as representative and can not be used to base generalisations upon.

The use of snowball and purposive sampling in selecting the vignettes aimed to demonstrate the diversity within the industry. One of the major drawbacks with purposive and snowball sampling, which are both forms of non-probability sampling, is that there is an uncertainty as to the extent and the type of bias that are present (Sullivan, 1992, p. 47). In confronting this weakness, the researcher has attempted to rid the scoping study of any potential bias by interviewing key informants from diverse backgrounds. Another area where potential bias could occur was in the scanning of documents (Kellehear, 1993). By collecting data using other research methods (e.g. interviews and visitations), rather than just the scanning of documents, “cross-checking” for potential bias and inconsistencies was possible (Kellehear, 1993, p.62).

This section introduced *how* the research was conducted in the preliminary scoping study (i.e. data collection phase one). The research methods used; the type of data collected; and the sampling of participants were described. The following will introduce the cottage food industry in Tasmanian agriculture by presenting a series of vignettes that were developed.

Vignette 1: Palmara Vineyard

Palmara Vineyard is named after the initials of each member of the Bird family. The vineyard is “one of Tasmania’s smallest

vineyards and hands-on wineries” (The Sunday Tasmanian, 2003). The business produces approximately 250 – 300 dozen bottles of wine annually. Allan Bird grows, picks, maintains and processes all wines on-site.



<http://members.ozemail.com.au/%7epalmara/Index.html>



Coal River Valley

100% Tasmanian Wine

The grapes are hand picked, immediately crushed, destemmed and fermented. Whole bunches are added for increased complexity. After pressing in our small bucket press, the new wine is matured in French oak

Tasmania's smallest boutique vineyard

<http://members.ozemail.com.au/%7epalmara/Index.html>

Palamara is a part-time occupation for Allan Bird. After retiring from his electrical engineering business in 1979, the family (Allan, Margaret and their five children) decided to move to Hobart from northern Tasmania. Margaret has been a school teacher since the age of 16 and continues to teach today, while Allan has been the “supporting half of the family” since his retirement. After the shift, Allan worked at a local college as a technical aide and, after a few years of living in Hobart, they decided to move to some land.

At this stage, Allan had no intention of growing grapes and initially bought a couple of sheep, but couldn’t take to them. At that time there was a lot of publicity about the development of the wine industry in Tasmania and having been a wine enthusiast since

the 1960s, Allan decided to give it a shot. Through trial and error, and a bit of advice, Allan eventually established his first plantings in 1984. In the early days of Palmara, Allan managed a local vineyard, in which he shared the crop, and this, he says, is where he got to practice and learn.



Palmara is on one of the prime tourist trails located in the wine growing region of the Coal River Valley. The wines are only sold through their own cellar door and, because it is a part-time occupation, Allan says that he is able to talk to the tourists that drop in, stating that “I enjoy the tourist side. I don’t regard it as work.” When Palmara opened as a cellar door in 1990, it was the only one in the Coal River Valley for approximately seven years, but today there are close to ten, which makes for a lot more competition. Allan is accredited by Tourism Tasmania as a quality tourist provider and is a member of the Vineyards Association of Tasmania.

*Allan and tourists at
Palmara’s cellar door*



http://www.palmara.com.au/custom_004.htm

In a good year, the business makes about \$12,000 and Allan states that “you wouldn’t make a living like this.” Palmara’s business goal is not to grow in size, but to maintain the “current volume of sales in the face of ever increasing competition.”

...the thing about cottage industry wine making is that all your wines are individual, they’re not sort of stamped...what I find is from year to year the wines are different and you could never pick up one of my bottles of Chardonnay and say that’s Allan Bird’s Chardonnay.



Vignette 2: Tasmanian Highland Cheese

Tasmanian Highland Cheeses is owned by John and Jill Bignell. The business is located on the family's farm at Thorpe Farm, Bothwell. Thorpe Farm was established in 1823 and John is a sixth generation Tasmanian farmer. Tasmanian Highland Cheeses produces approximately five to ten tonnes of goat and sheepcheese annually. Cheeses produced on the farm include Fresh, White Mould and Hard Cheese. John suggests that his cheeses are distinct because they are "farmhouse", "artisan", and simply because they are made from goat and sheepmilk.



Handmade Goat Cheese

Product of Tasmania

Clyde River Chevrets



John works full-time on the farm, whilst Jill is employed as a teacher. Thorpe Farm is approximately 4,000 acres in total and, besides the cheese factory, produces wool, beef, cereal, strawberry runners, specialist vegetables (such as horseradish, wasabi) and old-fashioned rye flour (Tasmanian Highland Watermill).

John's cheese making skills were gained when he was awarded a Nuffield Scholarship (an agricultural exchange program for adults). Through the program, he studied English and European farming and learnt to make the cheese

he is making today. The on-farm cheese factory employs two part-time staff and the farm employs one full-time employee, the Bignell children at various times, and seasonal shearers.



John says Tasmanian Highland Cheeses is definitely a cottage enterprise. The cheese packaging and labels are certainly aligned with the hand processing, cottage industry notion; in that, the labels are word processed, printed and hand sealed in plastic.

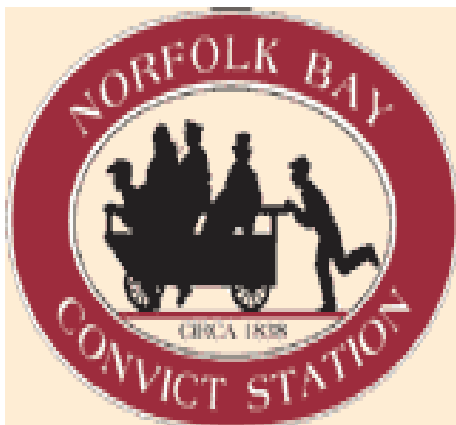
All of the goatmilk used in the cheese product is sourced from another local farm. The sheep cheese is only made if John has the time and because the sheep are only milked at certain times of the year. John suggested that

the customers do not mind waiting for seasonal products.

Approximately 20 percent of the farm's total profits are from the cheese factory. John suggested that a third of the profits are spent on the raw agricultural product, a third are related to production, and the final third is net profit. This would increase if the farm's own milk was used. Tasmanian Highland Cheeses sell to one retail outlet in Hobart and to most Australian states. Demand totally outstrips supply.

Tasmanian Highland Cheeses has not expanded at all since it was established and John stated that this was because it was not on a tourist trail and that they were unable to sell farm gate. Furthermore, expansion would mean that they would need to employ a manager and, to cover these costs and increase profits, would require a significant expansion. Nevertheless it is not being ruled out in the future.

Vignette 3: Norfolk Bay Convict Station



<http://www.convictstation.com>

Norfolk Bay Convict Station Bed and Breakfast is owned and operated by Dorothy and Mike Evans. Both are originally from England and are ex-botanists. Dorothy also has a teaching qualification and an MBA. Before working as interpretation guides at Port Arthur, the pair lived in various places around the world. In 1998 they bought the Norfolk Bay Convict Station (their first business) and began repairing it with the

assistance of a Cultural Heritage Project grant from the Australian Department of Environment and Heritage. The couple describe the B&B as a “lifestyle business” (www.convictstation.com).

The building was constructed by convicts in 1838 and was Australia’s first railway station. Originally a safer option than ship, it was used as a way of getting goods and passengers from Hobart to Port Arthur. Cargo was unloaded at the Norfolk Bay Convict Station and then pushed eight kilometres (by convicts) to the Port Arthur site. The logo signifies the convict-pushed wagons. When Port Arthur closed in 1877, the station became the first inn on the Tasman Peninsula and in 1900 became a guest house/post office (www.convictstation.com).



<http://www.convictstation.com>

The B&B is located on the Arthur Highway which forms part of one of Tasmania’s best known tourist trails: the convict way. As a B&B, and because the principals have English backgrounds, one of their emphases is on the provision of a “hearty English breakfast.”

“Breakfast is generous and features home made muesli, our own jams and marmalades (try the gin and lemon!), local bread and eggs and home-grown fruit in season” (www.convictstation.com).



Photo by Kim Rumbold

The popular breakfasts were the beginning of the food products that they now sell at the B&B and several other smaller places in southern Tasmania. Patrons kept asking to take the jams with them and so began Norfolk Bay Convict Station jams, marmalades, sauces and chutneys. Dorothy says that many of the tourists that pass through the B&B like to take the products back as souvenirs.

The raw agricultural produce that goes into these products (e.g. raspberries, strawberries, apples, pears and peaches) is sourced from their own garden or locally from neighbours and friends. They process very different types of jams to the common jams offered in Australia, producing such products as: greengage jam, crabapple jam, gin and lemon marmalade, quince jelly and sweet pear chutney. An informal system of distribution and sourcing of raw produce has happened in the past, such as bartering jam for raw produce.

Their label

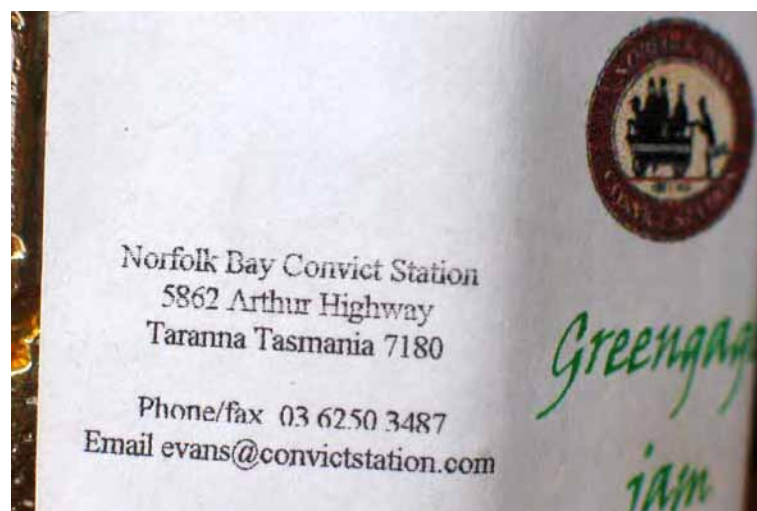


Photo by Kim Rumbold

Although they are required to be on-site day and night, the B&B itself is a part-time enterprise for both Dorothy and Mike. In the busy season, they employ a casual housekeeper to help with the rooms. Mike continues to work casually at Port Arthur as a guide and Dorothy undertakes occasional contracts at Port Arthur.

When asked if they had ever thought about expanding the food product side of the business, it was suggested that it might be one possible option down the track if they sold the B&B. However, at the moment, the lack of time (because the fruit ripens in the busy tourist season) and the size of the pot used for processing in their domestic-sized kitchen are limiting factors to expansion. Food labelling legislation (i.e. not really knowing what to do) and the exorbitant postage costs to send product to the mainland are the two most significant issues they have had to contend with in relation to the food products.

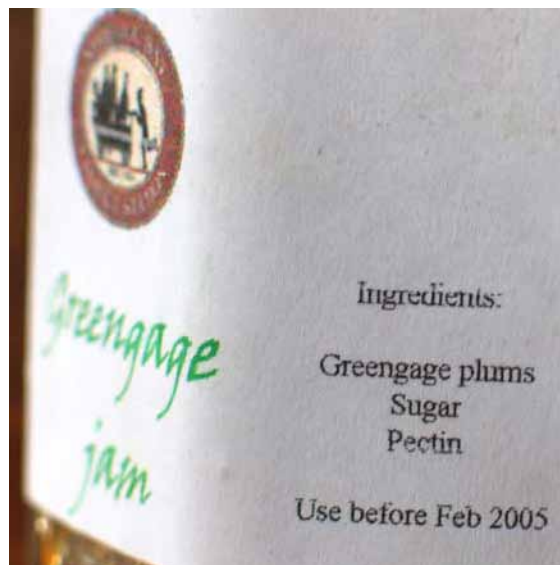


Photo by Kim Rumbold

Vignette 4: Highway Jams at The Old Murdunna Post Office (1910 – 1969)

Les and Anne Doble, and daughter Shirley, are the team behind the business being carried out at The Old Murdunna Post Office. The Old Murdunna Post Office originally opened in June of 1910 and closed in September of 1969. The building, approximately



3m² in size and with no facilities (i.e. electricity, water), is now used to sell processed food items and a range of gifts and souvenirs.

Anne and Shirley make the delicious jams, most of the time, and Les, a very skilled craftsman, creates the gifts and

souvenirs (such as brass items and coins mounted in various Tasmanian wood).

The family came out from England in 1966 and, over the years, have had a number of businesses; all of which were based around Les's trade as a diemaker. The couple eventually retired from the business and handed it over to their son (www.doble.com.au).



Eleven years ago they moved out to their present location, down the road from the Old Murdunna Post Office. Once they moved they began planting all varieties of fruit, including raspberries, boysenberries, plums, greengages, pears, nectarines, blackcurrants, peaches, apricots and damsons. They also keep bee hives. As a result, their product range consists of various jams made out of these fruits. They also sell tomato chutney, tomato relish, and lemon butter. They have been trying to

Photo by Kim Rumbold

locate Tasmanian Leatherwoods so that they can produce Leatherwood Honey (a tree and honey unique to Tasmania) but, as yet, have been unable to locate any trees.

A picture of The Old Murdunna Post Office



Photo by Kim Rumbold

The family rent the Old Post Office and only open on weekends. Les usually staffs the Post Office on Saturday, while daughter, Shirley, looks after the shop on Sunday. Les states that it is “mainly a hobby” and any income generated is used to supplement the pension. Because the Post Office is located on one of the tourist trails and a highway (hence the name Highway Jams), their main customer base is the tourist; however, this trade only lasts a few months of the year and the rest of year is quite slow.

Vignette 5: Blue Bell Inn

The Blue Bell Inn of Sorell, operated by Barry and Marlene Gooding, has a rich and diverse past. Originally built in 1829 and rebuilt in 1863, after being destroyed by fire, the building has been a maternity hospital, private residence, drill hall, and, finally, in 1992 became an Inn. The Inn is currently operating as a Bed & Breakfast (five rooms) and a casual, fine dining restaurant.



www.rcat.asn.au/bluebell/index.htm

Marlene and Barry leased the Inn in 1998; coming from the mainland and a business background. Marlene's qualifications (i.e. Advanced Certificate in Hospitality Operations and Graduate Diploma in Industry Education and Training) and Barry's previous business experience have proved invaluable over the seven years they have run the business.



Photo by Kim Rumbold

Originally only processing agricultural produce for the restaurant and B&B, patrons repeatedly asked to purchase the products. As a result, they began displaying produce, such as crabapple jelly and pickled cherries. Small amounts are processed and their popularity means that they are not stocked for long. The newest edition to the product range is the onion marmalade.

The raw fruit and vegetables that are used in the products are sourced from their own pesticide-free garden (pears, greengage, apricots, nectarine, plum, crabapple and herb garden) and often neighbours and friends

drop in, barter, or sell excess fruit and vegetables to the Inn. Raw agricultural products are also sourced from a nearby roadside stall and local small businesses. Labels are word processed and jars are recycled.

Expansion of the food products have been thought about; however, time is the prohibiting factor. Moreover, Marlene suggests that if the fruit has to be bought, rather than using your own or it being given to you, the product is just too expensive to make.

Future goals for the business possibly include cooking classes with Marlene in their kitchen, and the release of a second cookbook, entitled *Blue Bell Inn Favourites*. The first cookbook – *Family Favourites: A Gooding's Cookbook* –

was originally written for their daughter who was leaving home. Since then, the cookbook has been sold through word-of-mouth and has been given out as Christmas presents.



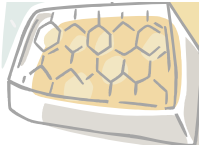
Photo by Kim Rumbold



www.rcat.asn.au/bluebell/index.htm

The business is more than a full-time endeavour for both Barry and Marlene and they employ two part-time staff all year round: preferring to keep them on, even in the slow season. It was suggested that on one hand the business might be cottage, but, on the other hand, the restaurant side of the enterprise is certainly a small business. For Marlene and Barry, the development of intimacy and relationships/familiarity with both suppliers (local and small) and customers, is on top of their list of priorities.

Vignette 6: The Food Van Brigade



The Food Van Brigade, as I have termed them, is the group of trucks that park on the edge of roads/highways and sell agricultural produce. In Tasmania, these trucks are out in force over the summer, when the stone fruit and berries are in season. However, there are some that sell produce all year round.



The brigade often sells excess fruit which has been either grown by their own hands, by relations, or by friends. Very occasionally you come across trucks that also make their own jam. In early 2003, I talked to an operator who was supplied with fruit and vegetables from his daughter's yard. His wife occasionally processed excess fruit into jam and they also sold this. The business was used to supplement the pension and to



give them something to do; possibly used more as a way of meeting and socialising with others. Another pensioner staffed the truck a couple of days a week in order to give the owner a break. These trucks usually offer the vendors a small income and, as such, are usually operated by pensioners of some description.



Vignette 7: The Fund Raisers

One type of small-scale food processor in Tasmanian agriculture is the person that makes jams, chutneys, relishes, etc to raise money for charities and causes. These processors receive a commission on any product sold. The products are sold in shops



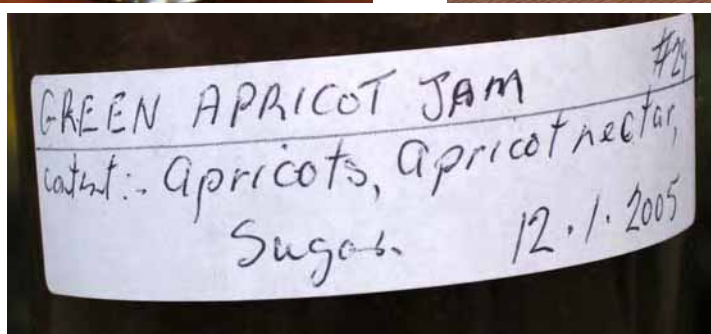
like the Lindisfarne CWA (Country Women's Association) pictured below and The Anglican Little Shop. Some of the charities the Anglican shop donate to include the Salvation Army, Mission Australia, Short Street Rehabilitation Centre and the premature baby unit in the Royal Hobart Hospital (Sunday Tasmanian, 2004).

*The CWA
Shop at
Lindisfarne*



Apart from the processed food items, these shops are stocked with hand-made crafts and goodies, and other donated items. Many of the processors are up in years, well past retirement age, and use the setting as a way to meet people and to socialise.

Products from the Anglican Shop, Lindisfarne



Photos by Kim Rumbold

In November 2004, in line with stricter food safety legislation and after 40 and 38 years in operation respectively, both shops were told that they could no longer sell “meat pies and cream-filled cakes ... but other food can still be sold” (Sunday Tasmania, 2004) (see article below). This occurred because the food that is sold on the premises is not produced in a commercial kitchen. The newspaper article also suggested that the shops and the council would be involved in talks, in order to work out “what is required for both shops to fulfil council requirements” (Sunday Tasmania, 2004). Arrangements had been worked out and, as shown in the pictures, the labels now include a contents list, date and number, or just a number to enable cross checking. As demonstrated, these shops offer much more than a place to buy jams.

Reprieve a relief for charity shops By PHILIP YOUNG

TWO Lindisfarne charity shops have gained a reprieve after being told by Clarence City Council to stop selling their home-cooked products. The Little Shop and CWA shop in Lincoln St on Hobart's Eastern Shore, which have been run by volunteers for nearly four decades, were told 10 days ago after the council had received a complaint. The shops were told that the food products did not comply with health regulations. Little Shop committee president Lynnette Lakin said the news had come as a huge shock. "We were pretty devastated," she said. It sparked an angry response from many residents who use the shops. Clarence Council was flooded with letters. But since the Thursday afternoon uproar and some hasty intervention by Clarence Alderman Beverly Evans, the shops have won a reprieve. Meat pies and cream-filled cakes are now off the menu but other food can still be sold. The shops may also have to reimburse people who supply goods to cover their costs. The Little Shop is famous for its home-made products, particularly its fresh apple juice. Mrs Lakin said the situation had been clarified to the relief of many shop volunteers and customers. "I've got a smile on my face now," she said. Mrs Lakin said the Little Shop had been set up 38 years ago to help buy the Rectory for the Anglican Parish of Lindisfarne but had grown to support many community charities. It is run by about 30 volunteers – many of them retired. Dinah Moore, who is member of the CWA and helps at both shops, said it was regrettable how the news was delivered. "I think I could have been done a whole lot better." Clarence Council community services manager John Toohey said there was never an intention to close down the shops and senior officers had spoken to both shops to clarify the council's action. "If there was any confusion caused, we apologise for that," he said. Mr Toohey said the council had a duty of care to ensure public health standards were maintained. He said meat and cream food products would need to be prepared by a licensed facility before they could be sold at the shops. A meeting between the council's senior health officers and those who run and use the shops will be held on Thursday.

Taken from <http://www.newstext.com.au/>, 2004

Vignette 8: The Markets

One type of small-scale food processor in Tasmanian agriculture is the unit that sells exclusively at the local markets. These markets sell everything from agricultural produce to craft to second hand goods. Each weekend, right around the state, these markets take place. They are not only a cheap method of selling wares, but also offer a significant socialisation component to all involved. Similar to the farmers' markets that are growing in popularity worldwide, the Tasmanian markets often sell a diverse range of goodies.



A common sight at one of the local markets

Apart from these local markets, there are a large number of festivals each year in which many small-scale processors are featured.

For the smaller unit, the markets offer cheap rent and cheap advertising. Despite this, however, it is often the larger, more commercial food processors that are featured at the more prestigious festivals.



For the most part, the smallest of the small-scale processors sell jams and preserves; simply because these are the easiest to process and require the least amount of equipment.

One woman I came across was selling unusual types of jams and chutneys. She and her husband were both pensioners and were selling not only the food products but also crafts that she had made. She would attend the markets fastidiously every week. Her tactics included arriving early, where she could grab an undercover site, and creatively set up a couple of tables of wares. There was a 'country cottage' feel to her presentation. Her food products, stored in recycled jars that had been used in the family home (as is common amongst these stall holders), were covered with a basic label that had been created using a home colour printer. This label presentation set her apart from many others, which are mostly hand written stick-on labels. Included on these labels were her name, address, phone number, and the date of manufacture; all that is needed to comply with the minimum of food standard regulations. Most of the raw agricultural produce that was used in the products was grown in the couple's residential yard. When asked, she went to great lengths to tell me how she had managed to grow the produce, what organic fertilizer worked best and what was required to keep the local wildlife out of her garden.

The following section displays findings obtained from the study of the vignettes and a scanning of the documents. General background information (such as the location of the study and economic background of the state) helped clarify the scoping study's findings. These findings are used to: guide and focus the literature review, partly direct questioning in the second data collection phase (i.e. interviewing a number of case studies), and assist understanding in the final analysis.

Section III: Preliminary Findings

The scoping study revealed a number of findings significant to the research problem – the paradox of enterprise expansion and identity preservation in the cottage food industry in Tasmanian agriculture. Each of these findings will be discussed in turn.

At the outset, the preliminary scoping study revealed that the informal cottage industry label is an identity attached to small-scale food processors. It was found that the informal label is attached to the enterprises by media, the key informants and the principals themselves. At no stage did participants mention that the label was inappropriate or not meaningful. Their lack of knowledge, uncertainty over the term, and contradiction over definitions throughout the interviews could, however, indicate the inappropriateness of the usage of the informal cottage industry label. The usage of the cottage industry term as presented in Chapter One also illustrates that the label is used to describe these industries.

Throughout the interviews, a number of expanded enterprises were also described as cottage industries. One key informant suggested that a large cheese processor in Tasmania was a “multinational cottage-type industry” and that another large enterprise was a cottage industry. A different key informant suggested that the definition of a cottage industry was:

Obviously it's a cottage, a small enterprise, and it's probably something that is owner operated. Maybe less than five staff and it's rural based. Apart from that, I would really have to think about what the definition of what a cottage enterprise in Tasmania is.

Another key informant referred to a larger enterprise as being a “cottage industry, you know one of the bigger more successful ones, when I say bigger and more successful it's still a cottage industry.” The key informant also mentioned two large-scale cheese processors as being cottage industries. An additional key informant referred to an expanded wine enterprise, which owns two different operations and conducts diverse business activities, as being a cottage industry. This contradicted their earlier definition by suggesting that they could not own other enterprises.

The first finding therefore is:

Scoping Study Finding #1: The enterprises and other actors informally label the vignette industries and other businesses as cottage industries.

Despite this informal labelling, however, the confusion that surrounds the usage of the term and its assignment to both small and large-scale industries throws doubt over the meaningfulness of the label as applied to these units. This uncertainty over the appropriateness of the assignment of the cottage industry label partly directs the literature reviewed in the next chapter.

The second significant finding, which is closely associated with the first, is that the informal artisanal/handmade label is another identity that is attached to the enterprises and those that have expanded past the cottage industry stage. Artisanality and cottage industry are often viewed as one and the same. It was found that the artisanal label is used to describe the businesses/products by at least a segment of consumers, media and the enterprises themselves. The following quotes, advertisements and labels demonstrate the use of the informal artisanal label in Tasmania:

“Hand made to an authentic style
recipe using pure goats’ milk”
(Westhaven Dairy, 2003)

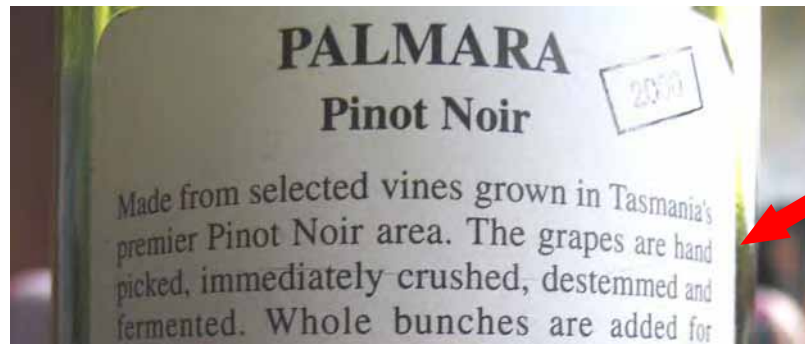
*“He also knows that Tasmanians cook
up quality, hand-made products as
though they were born to it.”*
(smfi.com.au, 2003)

*“On King Island’s flat
farmlands, beef and dairy
cattle shelter behind thick
tea-tree hedges – the
lush grass is the secret to
the succulent local beef,
rich cream and wonderful
hand-made cheeses.”*
(Travel Downunder, 2004)

“a healthy young commercial
enterprise, focusing on the
production of hand-crafted,
cool-climate, still and
sparkling table wines.”
(SLW, 2003)

“Island Produce Tasmania are makers of Australia’s finest handmade fudge, truffles
and fudge dessert sauces prepared to exclusive European recipes which have been
carefully modified to achieve the best possible tastes using premium local produce.”
(Island Produce Tasmania, 2005)

For example, Tasmanian Highland Cheeses suggested that their cheeses were distinctive, not simply because they are made from goat or sheepmilk, but because they are “farmhouse” and “artisan”. The descriptor “hand-picked” is emphasised on Palmara’s label, whilst Norfolk Convict Station describes their jams as “home-made”, signifying handmade/artisanality. All of these descriptors indicate that the product is labour intensive, as opposed to machine produced.



“Handmade
Goat Cheese”

Thus, the second salient finding in relation to the paradox of expansion and identity preservation is that the artisanal label is an identity attached to these units.

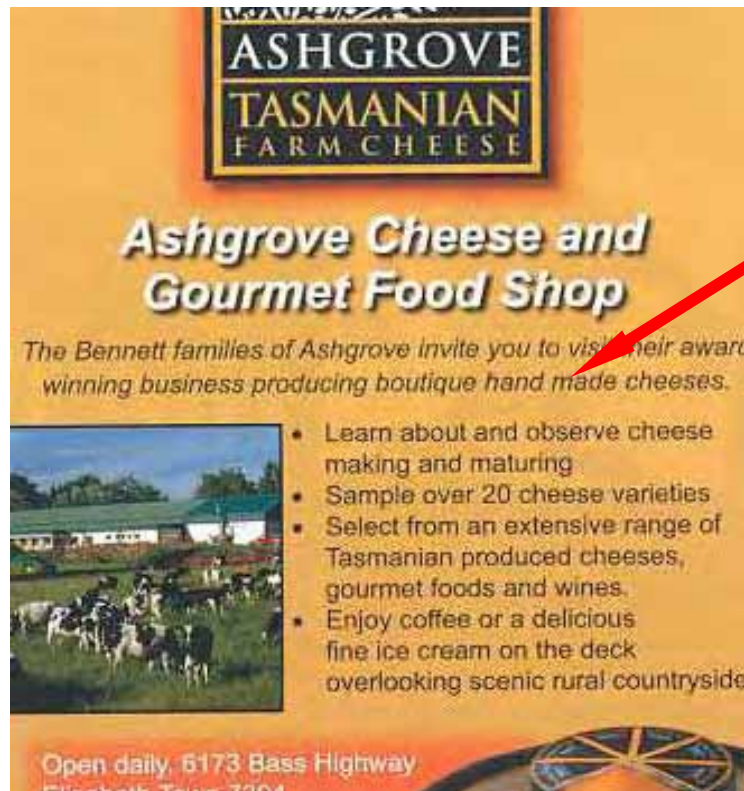
Scoping Study Finding #2: These industries and other actors view their units and products as artisanal/hand made (i.e. informally label them as such).

It was also found that the artisanal identity is associated with larger or expanded cottage food enterprises. This is evidenced, for example, in references made to King Island’s “hand-made cheeses” or Westhaven Dairy’s “hand made” cheese. This third finding aligns with the preservation of the cottage industry label upon enterprise expansion. Another example of artisanal identity preservation in a larger enterprise is demonstrated in the following text by Brand Tasmania (2002b, website), which attaches the descriptor ‘handcrafted’ to a large cheese processor’s product:

Cheese Bound for Japan

*Australia sells approximately 8300 tonnes of cheese per year to Japan. For Lactos Tasmania, Japan is a major export market representing 60% of its export business. Its quality, **handcrafted** cheese is extremely well regarded, and the premium quality soft-ripened cheeses are particularly favoured.*

Artisanal identity preservation in an expanded enterprise is also demonstrated by the reference to “hand-made” as seen in the following advertisement of a larger Tasmanian cheese processor.



Thus, the third finding revealed that:

Scoping Study Finding #3: Larger enterprises that have evidently expanded, and their products, are also viewed as artisanal (i.e. artisanal identity preservation).

The informal labelling of both the smaller and expanded processors as artisanal and cottage industries links with the overarching research problem, in that these findings appear to contradict the paradox of expansion or the expected loss of meanings and identities upon enterprise expansion. How do these enterprises preserve these identities upon expansion? Is the informal labelling of cottage industry and artisanal appropriate in the first place?

Another identity associated with the industry's products, which is important for its value-adding activities (to raw agricultural produce) and is emphasised in the *Tasmanian Food Industry Strategy (2005)*, is the notion of quality food and the characteristics that signify quality (such as artisanality and small-scale production). The cottage industry's products are viewed as quality food items.


Quality is one of the most frequent descriptors amongst the items produced by cottage industries and those industries that have expanded. It is a label used in various situations, encompassing a wide range of meanings. Thus, the concept of quality, as it relates to the food industry, is included in the literature review in the following chapter. The following text provides examples of how the word quality is expressed in the media and associated advertising:

Tasmania's exporters of quality food and beverages rely on our 'clean, green, quality' image and are increasingly able to charge premium prices in niche markets – delivering more jobs and opportunities for Tasmanians.
(ALP, 2002)

Tasmania is known to international connoisseurs as Australia's gourmet island. The world's cleanest air, most productive soil and a moderate climate with an environmentally sensitive populace and many caring farmers give Tasmania the edge in the good food stakes. Slow-ripening season and freedom from pollutants result in the successful production of premium quality raw foods and a range of value-added foodstuffs sought after by discerning gourmands world-wide.
(Tasmania Travel Company, 2005)

Fine Wines and Food • *Tasting wine and enjoying the local produce is fast becoming a national pastime for Australians and the areas around Hobart offer some of the most picturesque places to indulge this pastime. And if the scenery is not enough the wine and food has people coming back for more. The quality of Tasmania wines is up there with the best and following are some great places to visit to indulge this passion.*
(Ausemade, 2005)

Tasmania is also developing national and international recognition for quality. In particular, the quality our natural environment and our foods, beverages, farm produce and manufacturing products, provides a unique platform from which to develop our profile in the market place as a tourism destination. Tourism 21 has concluded that there is a need to continue to strengthen this reputation for quality as an integral part of the image and use of brand Tasmania.
(Tourism Tasmania, 1997).




*Chartley Estate
Vineyard overlooks
the waters of the
Tamar River in
Northern Tasmania
and is a premium
grower of a range
of quality wines.*

**MEDAL WINNING
PINOT GRIS 2003**

38 BLACKWOOD HILLS RD, ROWELLA, TAS
Ph 6394 7198
www.chartleyestatevineyard.com.au




(TQA inc., 2005)



**The Coal Valley Vineyard is
scenically located less than
15 minutes from the
centre of Hobart.**

The Cellar Door Restaurant has
stunning water views of the Coal River
Valley and the Pittwater Estuary.
Award winning wines and superb food
make this a must visit vineyard.



Gold medals have been won for the Ries-
ling, Chardonnay, Cabernet Merlot and Pinot Noir. Very low yields
and a hands on approach in the vineyard ensure premium quality
fruit is produced.

Chef Richard Metzler has sourced the very best of fresh Tasmanian
seasonal produce. Bruny Island Cheeses, oysters from Dunally and
East Coast scallops are among the many delights he can deliver to
your table. You can browse on a vineyard platter or select from a
full a la carte menu or simply call in for cake and coffee.

Phone: (03) 6248 5367 Fax: (03) 6248 4175
Email: coalvalleywine@bigpond.com
257 Richmond Road, Cambridge Tasmania 7170
**OPEN six days a week (closed Tuesdays) from 10am for wine
tastings & sales; lunches or morning and afternoon teas.**



The literature demonstrates that quality food in Tasmania is often linked to environmental characteristics embodied in the ‘clean and green’ image. This image is supported by such attributes as the “moratorium on commercial release of genetically modified crops until at least 2008” (DPIWE, 2003e, p. 7); the strict quarantine and isolation of the state, which reduces the introduction of agricultural pests; and the unfavourable cool temperate climate for pests and diseases. This mix contributes to the lower levels of chemicals used in agricultural production. Yet Tasmania is not devoid of challenges to the clean and green image; for example, the use of industrial agriculture, pollution and logging operations: all of which are concerns for the marketing of the state’s food and tourism industry.

Other potential characteristics of quality food are those pertaining to social attributes. These qualities encompass meanings about who produced the product, the processor's values and beliefs, and the relationship between producer and consumer. One example of a social attribute, which potentially ascribes quality food meanings in the vignette industries, is that of face-to-face sales. In this arrangement, consumers and producers can form intimate social relationships, and consumers can construct first hand knowledge about who produced the food item and how it was produced.

The link to place, which Brand Tasmania promotes, is also another potential characteristic of quality. Although the bulk of the product sold by the vignette industries is within the regional market, "Tasmania is oriented towards international trade more so than any other state in Australia. The need for credible brand image nationally and internationally is well understood" (DPIWE, 2003e, p.6). This is where the *Brand Tasmania Council* is invaluable, with its objectives being to "heighten the profile, quality and value of Tasmanian products", primarily by employing the place-of-origin branding initiative – *Brand Tasmania* (Brand Tasmania, 2005c).

These quality characteristics offer value-adding to the raw agricultural product. Saul Eslake, chief economist with the ANZ bank, suggests that it is these types of food products, as opposed to unprocessed products with their limited value-adding, that Tasmania's food industry should be focusing upon:

Tasmania's economic future cannot possibly lie predominantly in the volume of production of essentially unprocessed commodities at lower prices than competitors with better access to larger and cheaper resources of both labour and capital, and better access (by virtue of distance or membership of trade blocs) to markets. Rather Tasmania's economic prospects depend on its capacity to produce and sell highly differentiated goods and services embodying a relatively high intellectual content and for which customers are willing to pay premium price (2002, p. 3).

As such, the fourth scoping study finding is that:

Scoping Study Finding #4: The industry's products are viewed as quality food products.

Another characteristic of food quality increasingly growing in importance is that of *food safety*. The emphasis on food safety is evident in the new phrase "clean, green and safe" (DPIWE, 2003e, p. 6) where once it was just clean and green. This quality food meaning is a concern and cause of contention for the small-scale food processing industry in Tasmanian agriculture, as the following demonstrates. The emphasis on

food safety in the Tasmanian food industry is demonstrated within the *Tasmanian Food Industry Strategy* (2005, p. 5), which states that:

Tasmania and its products enjoy a reputation, both nationally and internationally, as 'clean, green and safe'. This reputation provides a brand that not only needs to be protected, but also supported through appropriate practices and mechanisms. Quarantine practices and standards have a major role in protecting the state's reputation and food safety guidelines and systems ensure that Tasmania's produce remains 'clean, green and safe'.

This concern over food safety is echoed throughout the world and now dominates the food quality discourse. Recent food/health scares (such as mad cow disease, September 11 and the increased threat of bio-terrorism) and technological increases, where risks have reached a new level in terms of intensity and geography, have contributed to the drive for food safety. Australia (including Tasmania) has largely avoided these factors that have seen food safety become a dominant food quality meaning, and have positioned it in the global market as a quality provider of safe food.

The importance of food safety is illustrated in the national *Food Safety and Quality Initiative*, which is Australia's strategy for maintaining its reputation as a clean and safe food producer (AFFA, 2002a). This initiative is set to achieve its goals by (a) developing a national food safety auditor framework, where auditors are accredited; (b) concentrating on areas where food safety is less developed; and (c) increasing activities that promote Australia as a clean and safe producer of food (AFFA, 2002a). Perhaps the most well-known food safety related measure is the rigorous *Hazard Analysis Critical Control Point* (HACCP). HACCP is:

an internationally recognised method of identifying and managing risk and, when central to an active food safety programme, can provide vendors, the public and government sector bodies with a high degree of comfort that food safety is being taken seriously and is well managed. (HACCP Australia, 2005, website)

The implementation of a HACCP plan is increasingly becoming a necessity for many food processors who sell to retailers (large and small).

However, for a few of the larger retailers, an even stricter food safety plan is required. One example is the *Woolworths Vendor Quality Management System* (WVQMS), which has now been replaced with the term *Woolworths Quality*



Assurance Standard (WQA) and is based upon the HACCP standard (Woolworths, 2003).

At first glance, the push towards ‘safe’ within the agrifood industry would appear to favour regions like Tasmania and the processors that work within it for the abovementioned reasons. However, this shift has actually created problems for many of the smaller processors in Tasmania. The scoping study revealed that the stricter legislation is actually disadvantaging, rather than benefiting them. In certain cases, processors who had been producing goods for generations were being required to alter their production methods. One other problem is the lack of knowledge over what is required to adhere to the new laws.

One example of the outcome of the stricter food safety legislation is that all cheese produced in Tasmania requires the pasteurisation of milk. This has reportedly led to a third generation cheesemaker leaving the industry after the pasteurisation of milk was enforced (Riverbank Cottages, 2005). It is suggested that the decision was made because pasteurisation would have produced cheese that was “‘mundane’ and the cheesemaker refused to vary the century old family recipe” (Riverbank Cottages, 2005, website). Another local cheesemaker disagrees with the requirement to pasteurise milk, stating that:

If you can keep a control on your raw product (milk) and if the raw product is up to speed then there’s no way we should have to pasteurise ... As far as boutique cheese factories are concerned ... If they source the milk from the one milk source and that is a quality source there should not be any problem and that will give the small cheese makers an edge over the big boys (ABC, 2002b, website).

During the vignette interviews, Norfolk Bay Convict Station suggested that they were having difficulties with the labelling requirements (i.e. they lacked knowledge surrounding what they were required to put on the product labels). The processors featured in Vignette 7 have also been affected by the stricter food safety laws and are no longer able to sell meat products or cream-filled cakes because they are not being produced in a commercial kitchen. As the following newspaper reports, the products banned had been sold in the shops for a number of decades prior to this decision.

Horror at the Little Shop

Lindisfarne has rallied around to help, writes **Jennifer Crawley**

WHEN the young environmental health officer from Clarence City Council arrived at the "Little Shop" in Lindisfarne Village 10 days ago with the news that food could no longer be sold on the premises, it was as if a thunderbolt had struck.

The Anglican Little Shop has been operating in Lindisfarne for 38 years.

When they were told to stop selling because the food was not cooked in a commercial kitchen, one of the distraught shop volunteers phoned Clarence City Alderman Beverly Evans, who quickly arrived on the scene.

Ald Evans made a couple of phone calls and discovered the visit from the council was in response to a public complaint which had nothing to do with environmental health standards.

Across the road from the Little Shop the same council ultimatum was delivered to the CWA store, which has been operating for 40 years.

The events of that Thursday morning stirred up the community. It took a few days for tempers to settle down.

Rarely had the level of feeling reached such heights in this quiet riverside suburb.

One worker in the shop who did not wish to be named said: "Even the girls at the tennis club were ready to march down the street."

The Little Shop at Lindisfarne is the "heart" of the village. It is an institution.

The cakes, the flowers, the vegies all come from the kitchens and gardens of people who give for very little in return.

"The Little Shop is known all over Hobart and people come from everywhere because they know what we stock," Rosemary Gysen, a volunteer at the shop, said.

"They know it's good and it's a reasonable price."

Many of the cooks and gardeners are aged in their 70s and 80s.

One lady, whose cakes are some of the most sought after, is rumoured to be in her 90s.

Yet these helpers don't want to be labelled as "elderly". They are active and involved and committed to the charity work of the Little

Shop.

Lynnette Lakin, the president of the committee which runs the Little Shop, said the shop provided a meeting place for recently widowed people and gave them something to do.

"This place gives people a purpose in life. Also, those that can't home-bake any more can come and buy the food they've eaten all their lives — food they love."

Mrs Lakin said she's sure the person who made the complaint had no idea of the consequences of their action.

"This shop affects so many people in many different ways."

On any morning of the week you will find two or three people buying the flowers, cakes and biscuits, jams and preserves or checking out the knitted jumpers, scarves, gloves, men's socks (they sell like wildfire) and dolls.

There is craft everywhere.

One elderly patron said outside the shop when told of the visit from council: "I've been coming here since it opened and I believe the food prepared for this shop is probably cleaner and more hygienically prepared than some of the bigger shops."

Joyce Jones, a contributor to the shop, remembers it opening the same year that decimal currency started in Australia.

"We took \$27 on our first day in 1966," she said.

The shop was opened in an effort to help pay for the Rectory for the Anglican Parish of Lindisfarne, and it was called the Little Shop because "every little bit helps".

Joyce said people were always coming into the shop wanting to know what the apples were coming in.

Every week for more than 25 years, the apples from Griggs' orchard in Lucaston

have travelled on a truck up the Huon Highway to the Little Shop.

The juice is freshly squeezed on a Tuesday and is sold out the same day.

Clarence City Council customer services manager John Toohey confirmed that a complaint had been made and the nature of that complaint was a confidential matter between the staff of the Little Shop, the CWA and the council.

"I want to reassure you we will meet with everyone involved so that any confusion is sorted out," he said.

"We want to ensure everyone is comfortable and clear about what is required for both shops to fulfil council requirements."

Mr Toohey said a meeting had been organised at the Little Shop on Thursday. The council visit last Thursday remains the talk of Lindisfarne.

"The last thing we want is any more upset," Mrs Lakin said. "The world has changed a lot and we know you have to move with the changes but when you can't see the sense in the change, that worries everyone."

● **Jennifer Crawley** is a postgraduate journalism student at the University of Tasmania.

Consequently, the fifth scoping study finding was that:

Scoping Study Finding #5: Food safety legislation as an aspect of food quality is a significant issue that a segment of the industry is encountering (i.e. product labelling).

After interviewing the vignette industries in the scoping study, it was found that these enterprises produce smaller quantities of product, thus the image being portrayed of these enterprises is an actuality. This sits in opposition to larger enterprises/economies of size operations that are inaccurately presenting the image of producing smaller quantities. As such, the sixth scoping study finding is that:

Scoping Study Finding #6: The vignettes and other businesses within the industry produce smaller/lower quantities of product.

The scoping study also revealed that the bulk of the business activities in seven of the eight vignette industries were geographically concentrated within the sub-regional area (see Table 2.2). That is, most of the food chain, from the production of raw agricultural product to sales, is conducted within the sub-regional area and incorporated the farm, nearby farms and close-by markets. This differs to activities undertaken in the upper regional area where raw product is sourced from across Tasmania or sold in outlets throughout the island. Only one of the eight vignettes – Tasmanian Highland Cheeses – did not conduct all activities within the sub-regional area. Tasmanian Highland Cheeses sells their cheese products in both national and international markets, whilst the majority of the raw product is sourced from a neighbouring farm. Despite this, Tasmanian Highland Cheeses still produces and processes within the sub-regional area.

Associated with the geographical concentration of business activities is the regional or place-of-origin branding that *Brand Tasmania* espouses and which was previously mentioned. Thus, the geographical concentration of the food chain not only optimises regional branding but is also interconnected with the concerns over food safety and quality food production and consumption. This concentration allows traceability, which is associated with the shift towards the increasing concerns over food safety. Consumers increasingly want to know where their food has come from, how it was produced and who produced it.

In other cases, the confinement of activities is demonstrated through sub-regional branding, such as seen on Palmara's product (Vignette 1) below:



Palmara's label: An example of place branding at the sub-regional level

This sub-regional variation was also expressed by one of the key informants interviewed, who suggested that:

A multi-regional approach is just an approach where different sub-regions within Tasmania are marketed as a stand-alone product, if you like, and then you can connect them altogether to make up the state of Tasmania. Really it's based on having a minimum cluster of experiences for the consumer in a particular region ... but we are certainly are moving towards marketing Tasmania in terms of wine and food. We very strongly want the visitors to understand that there are different regions within the state that are worth visiting and not to think about Tasmania as one entire region in terms of wine and food tourism.

As such, the seventh scoping study finding is that:

Scoping Study Finding #7: The bulk of the business activities of these enterprises are geographically concentrated within the sub-regional area.

In relation to the business activities undertaken by the vignettes, it was found that the enterprises also conducted other activities (see Table 2.2). There was much diversity amongst the vignette industries in relation to demographics and business structure. In regards to participants receiving the age pension, the enterprise was usually seen as a

hobby and a method of topping-up their pension (e.g. Vignette 8 – The Markets and Vignette 4 – Old Murrumbidgee Post Office). For those not on the age pension, however, other activities brought in their primary income and the food processing side of the enterprise was considered a business in some cases and more of a hobby in others.

- **The enterprises often perform other types of business activities.**

Also related to business activities conducted by the vignettes, was that seven of the eight industries sourced a part or the entire raw agricultural product from their own backyard or farm. In this respect they performed another activity besides processing: that is, the production of the raw agriculture.

- **A portion of enterprises produce all/part of the raw agricultural produce versus purchasing the raw product.**

Furthermore, in relation to the industries' business activities, six of the eight vignettes sell their products direct or face-to-face (see Table 2.2). In Tasmania, face-to-face sales are a popular method of selling food products and have been assisted by the increase in tourism and the tourist trails mentioned previously; with some of the enterprises' other business activities catering to tourists (e.g. accommodation or the purchasing of product by tourists stopping along tourist trails). The importance of being on a tourist trail for the enterprises was mentioned by Jon Bignell, one of the principals of Tasmanian Highland Cheeses, who suggested that the cheese part of the enterprise had not grown because it was not on a tourist trail and that if it was, it would definitely be a farm gate operation.

Due to Tasmania's geographic isolation, businesses find the transportation costs prohibitive, even to the closest Australian states. Coupled with the lack of economies of scale, transportation costs are spread out over less units, making for higher shipping expenses. In saying this, many small-scale processors sell within the region and save on overheads by selling on-farm or through inexpensive methods (such as in markets). For the wine industry, direct selling via cellar door sales is even more economically beneficial as the "federal government's Wine Equalisation Tax is not levied on a portion of these sales" (DPIWE, 2003d, p. 2).

Another benefit of direct sales widely recognised in Tasmania is the social interaction and sharing of information between producer and consumer. This intimacy adds value to the product and is another characteristic of quality. The benefit of direct contact with

the processor, versus the anonymity often found in a conventional food supply chain, was succinctly explained by one of the key informants who suggested that:

The average farmer is very distant from the market place. There are a number of intermediaries between them and the consumer, whereas the cottage industry is often directly in contact with the consumer ... They mean something to the consumer, because they know the people, or the place, or the experience. Uniqueness: different to other things ... is there something intellectual about having a specialty food product and discussing how it was made. Knowing more about it than you would your average grape in the supermarket.

- **Many of the businesses are on a Tasmanian tourist trail and sell farm gate/cellar door (i.e. direct marketing/short food miles).**

Another significant finding that relates to the development of the industry is that the growth/increase in demand for the product is creating product saturation within the local market in certain sub-sectors. This finding does not apply to all of the industries that were presented in the vignettes. However, it did apply to Allan Bird from Palmara Vineyard (Vignette 1), who suggested that his plan is:

to retain my current volume of sales in the face of ever-increasing competition. It's not to grow exponentially. It may be that it isn't going to be easy to maintain my volume [of sales], but we're just working on that.

Allan went on to illustrate how rapidly the industry had developed around his farm by saying that he was the only cellar door in the Coal River valley when he opened in 1996/97 but that there were now approximately eight cellar doors within the sub-region. In contrast, Jon Bignell from Tasmanian Highland Cheeses suggested that he can easily sell the entire product and that the demand is there if they decide to produce more. Local product saturation is a salient issue in relation to the cottage industry in Tasmanian agriculture and one that is increasingly problematic for various agricultural industries around Australia.

Thus, the eighth scoping study finding was that:

Scoping Study Finding #8: Due to a significant growth in certain sub-sectors, there are issues related to increased competition within the local market (i.e. local product saturation).

Conclusions and Linking the Scoping Study to the Literature Review

The scoping study set out to discover the issues, actors and concepts surrounding the research problem (i.e. the paradox of expansion); to gain a preliminary understanding of the research problem; to focus the research; and to add validity to the overall findings. The scoping study findings are used in the following chapter (Chapter 3) to guide the literature review and subsequently develop the project's research questions. In so doing, this chapter presented: a contextual background to the study (Section I); the scoping study research design and a set of eight vignettes, which included a range of different types of cottage industries in Tasmanian agriculture (Section II) and presented a number of findings (Section III). The following overviews these findings and presents the implications in relation to the literature to be reviewed in the following chapter.

1. The enterprises and other actors informally label the vignettes and other businesses as cottage industries.

The first finding supported the thesis that the cottage enterprise label is used by the enterprises themselves and also attached to these industries by other actors. The label/identity is informally assigned in that it is not an officially certified label. This finding will direct the exploration and development of the defining characteristics of a cottage industry. This will enable the investigation of the appropriateness of the cottage industry tag as an informal label.

2. These industries and other actors view their units and products as artisanal/hand made (i.e. informally label them as such).

The scoping study revealed that the artisanal/handmade descriptor is another identity attached to the industry under study. Once again, this label is informally attached to the enterprises and their products. Thus, the concept of artisanality is examined within the literature and a number of characteristics of artisanality are developed. This allows for a further investigation into the artisanal identity/informal label and its appropriateness as assigned to the enterprises under study.

3. Larger enterprises which have evidently expanded, and their products, are also viewed as artisanal (i.e. artisanal identity preservation).

The scoping study revealed that larger enterprises within Tasmanian agriculture also use and also assigned the artisanal descriptor.

4. The industry's products are viewed as quality food products.

The industry's products are viewed as quality food products and quality can encompass a wide variety of meanings. This finding guides an examination of the extensive literature that surrounds quality as it relates to the agrifood industry.

5. Food safety legislation as an aspect of food quality is a significant issue that a segment of the industry is encountering (i.e. product labelling).

Food safety, as a notion of quality, is a significant issue for the food processing industry in Tasmanian agriculture, particularly the small-scale units. Apart from reviewing literature surrounding the context of the emphasis on food safety by government, private industry and consumers alike, the view that food safety is dominating the food quality discourse will also guide the literature review in the following chapter.

6. The vignettes and other businesses within the industry produce smaller/lower quantities of product.

The scoping study revealed that the vignette industries featured here do not produce economies of scale. As such, an examination of economies of scale operations and other structures of agrifood businesses and their differences will be explored in the following chapter.

7. The bulk of the business activities of these enterprises are geographically concentrated within the sub-regional area.

- *The enterprises often perform other types of business activities;*
- *A portion of enterprises produce all/part of the raw agricultural produce versus purchasing the raw product;*
- *Many of the businesses are on a Tasmanian tourist trail and sell farm gate/cellar door (i.e. direct marketing/short food miles).*

The finding that the vignettes' activities are geographically confined, for the most part, within the sub-regional area of Tasmania will guide the examination of literature. This will include such literature surrounding food supply chains, place branding and direct sales. Moreover, the finding that some of these enterprises perform other business activities and are responsible for the entire food supply chain (from raw agricultural production to sales) will direct literature surrounding pluriactivity and alternative agrifood business types.

8. Due to a significant growth in certain sub-sectors, there are issues related to increased competition within the local market (i.e. local product saturation).

The finding that local product saturation is occurring in specific sub-sectors relates to the development of the cottage industry in Tasmanian agriculture and consumption trends. Thus, trends surrounding production and consumption within the agrifood industry will be examined in the literature review. Moreover, because enterprise and industry expansion indicates development of the cottage food industry in Tasmanian agriculture, literature surrounding regional agrifood development and associated models will also be examined.

The following chapter will draw upon these findings in order to guide a review of the relevant literature surrounding the research problem. The scoping study does not seek to provide a complete picture of the literature to be reviewed; rather, it offers a starting point and a guide for focusing the review. The literature review is primarily contextual in nature; that is, this type of review places the “specific project in the big picture” (Neuman, 2000, p.446). In giving meaning to present day activities and current trends, a historical context is also necessary. Thus, the literature review will not only provide an examination of the concepts and issues revealed in the scoping study, but will also present a historical context, including the trends associated with these issues. Associated theoretical perspectives, which have been used within the literature to assist in description and analysis, will also be presented and examined.

Chapter 3

Literature Review

Introduction

This chapter presents a review of literature structured around the scoping study findings developed in Chapter 2. The scoping study findings enabled a focusing of the literature and further contextualised the project and the problem setting. In accordance with the findings of the scoping study, the literature is grouped into four parts: (1) the cottage industry; (2) artisanal food production: associations with place, the culture industry and authenticity; (3) the social construction of quality food meanings and discursive dominance; and (4) agrifood development: ‘the crisis’ and resistance/challenges/alternatives.

Structured around the scoping study findings and supported by the literature, this review is intended to be read as an account of the artisanal food industry and associated matters. The increasing turn towards the demand for artisanal and cottage industry products as quality food items, the possibilities of using artisanality and quality as tools of agrifood development and the struggle to challenge and overcome the dominant industrial agrifood system are explored.

In an era where Tasmania’s quality agrifood products are in high demand and high profile, there has never been a more important time to research a quality food producing industry such as the cottage food industry in Tasmanian agriculture. This profile has, in part, been formed by Tasmania’s producers, who are producing new (to Tasmania and Australia) and distinctive products, such as “wakame seaweed, buckwheat for soba noodles, red fuji apples, kabocha (Japanese pumpkin), pyrethrum, daikon, wasabi, kyoho grapes, farmed abalone, rock lobster, coloured capsicums and essential oils” (Brand Tasmania, 2003a, website). This is paralleled by Tasmania’s processors, who also generate a range of distinctive products, such as goat and sheepmilk cheese, tayberry liqueur, greengage jam and crabapple jelly.

Tasmania’s developing tourism industry also relies upon the state’s distinctive agrifood sector. Tasmania’s point of “differentiation” is derived from “its mix of wine and food with the appeal of natural beauty and history” (Tourism Tasmania, 2002a, p.2).

Moreover, in a global marketplace which is increasingly centred around food safety and health, Tasmania's agrifood products are valued, in part, due to the lesser use of chemicals (due to, in part, the cooler climate and less pests/diseases), the moratorium on the use of genetically modified organisms in commercial crops, and the lack of growth hormones in cattle (Brand Tasmania, 2003a, website).

Tasmania's agrifood industry is on the move and is positioned well to take advantage of consumer demand for high quality products. For this reason, research needs to progress with these trends and explore associated opportunities. It is increasingly being acknowledged that Tasmania cannot base its entire agrifood industry on intensively produced raw agricultural produce, where competitors have access to cheaper labour and additional resources (Eslake, 2002). Instead, as Eslake (2002, p. 3) suggests:

Tasmania's economic prospects depend on its capacity to produce and sell highly differentiated goods and services embodying a relatively high intellectual content and for which customers are willing to pay premium price.

The high intellectual content referred to by Eslake (2002, p. 3) aligns significantly with the notion of identity and the meanings that are embedded within the food product and embodied upon consumption. This has also been referred to as "symbolic density", with the food product representing a range of meanings and characteristics (Brunori et al., 2000, p. 1). It is the preservation of identity, high intellectual content or symbolic density that is at the core of the project's research problem.

As the following review demonstrates, the revaluing of artisanal food products is a worldwide phenomenon, with the bulk of the research surrounding these products undertaken in Europe. In Australia and specifically Tasmania, however, research pertaining to artisanal food production is lacking. This further highlights the need for research on the proposed topic.

This chapter is structured purposely around the scoping study findings from Chapter 2 (see Table 3.1). The first scoping study finding revealed that the cottage industry identity is an informal label that is attached to these enterprises. This finding will direct the exploration and development of a number of defining characteristics of what a cottage industry is. This will enable an investigation into the appropriateness of the cottage industry tag.

**TABLE 3.1: THE SCOPING STUDY FINDINGS, THE LITERATURE REVIEWED
AND THE RESEARCH QUESTIONS DEVELOPED**

The Research Problem: The Paradox of Enterprise Expansion	
Scoping Study Finding 1	The enterprises and other actors <i>informally label</i> the vignettes and other businesses as <i>cottage industries</i> .
Literature Reviewed	Defining characteristics of a cottage industry
Research Sub-Question Developed	1.1 Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?
Scoping Study Finding 2	These industries and other actors view their units and products as <i>artisanal</i> /hand made (i.e. informally labelled)
Scoping Study Finding 3	Larger enterprises which have evidently expanded, and their products, are also viewed as artisanal.
Literature Reviewed	Definition and components of artisanality; ‘Artisanal entrepreneur’; Concept of authenticity; “metonymic” signifiers and “diacritical traits” (Cohen); Conventionalisation thesis; Culture industries; Intangible cultural practice/ideology
Research Sub-Question Developed	1.4 How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?
Scoping Study Finding 4 Scoping Study Finding 5	The industry’s products are viewed as <i>quality</i> food products. <i>Food safety</i> legislation as an aspect of food quality is a significant issue that a segment of the industry is encountering.
Literature Reviewed	Historical contextual literature – shift/market trends towards quality food production and consumption and food safety; Characteristics of quality food; Conventions theory; Theory of Communicative Action; Communicative Rationality
Research Sub-Questions Developed	1.2 What contestations exist over the meanings of quality and how has it been reproduced over space and time? 1.3 How have the expanded enterprises managed to expand without losing quality meanings?
Scoping Study Finding 6 Scoping Study Finding 7	The vignettes and other businesses within the industry produce <i>smaller/lower quantities of product</i> . The bulk of the business activities of these enterprises are <i>geographically concentrated</i> within the sub-regional area. (i) The enterprises often perform <i>other types of business activities</i> ; (ii) A portion of enterprises <i>produce all/part of the raw agricultural produce</i> versus purchasing the raw product; (iii) Many of the businesses are on a Tasmanian tourist trail and sell <i>farm gate/cellar door</i> (i.e. direct/short food miles). Scoping Study Finding 8 Due to a significant growth in certain sub-sectors, there are issues related to <i>increased competition</i> within the local market (i.e. local product saturation).
Literature Reviewed	Economies of size versus other business types – economies of scope; diversification; Place and space; terroir; place-of-origin branding; Food supply chains (conventional versus ‘short food supply chain’; Direct selling; Concerns associated with agri-food development; Agrifood Development Models – exogenous versus endogenous agri-food development; neo-endogenous development; Agroecology
Research Sub-Question Developed	1.5 What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?
<p align="center">↓</p> The Overarching Research Question: How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?	

The second scoping study finding which directed the literature review revealed that the artisanal/handmade descriptor is another informal identity attached to the industry under study. As such, the review examines the concept of artisanality and a number of components are developed. Associated with this finding is that larger enterprises within Tasmanian agriculture also use and are assigned the artisanal descriptor (i.e. Scoping Study Finding 3). By employing the developed components of artisanality, the notion of artisanal identity preservation upon expansion can be explored.

The fourth scoping study finding found that the industry's products are also viewed as quality food products. This finding guides an examination of the literature surrounding the shift towards the production and consumption of quality food. A number of characteristics of quality are developed in this review in order to examine the concept. Also related to food quality is the fifth scoping study finding, which found that food safety is a concern for the enterprises under study. Literature surrounding food safety as a dominant food quality meaning and the implications of this are examined.

Scoping Study Finding 6 revealed that the enterprises under study do, in reality, produce small quantities of product; that is, as opposed to economies of size operations that mass produce or units that misleadingly project a small-scale image. As such, literature surrounding structural types is examined. Also related to business activities is Scoping Study Finding 7, which revealed that, for the most part, the enterprises' business activities are conducted within the sub-regional level. These findings are positioned within the literature surrounding agrifood development. The final scoping study finding revealed that local product saturation is occurring in specific sub-sectors of the cottage food industry in Tasmanian agriculture. This finding emphasises the need for research surrounding the development of the industry and trends that present related opportunities.

Firstly, however, it is necessary to locate the scoping study findings and review within a backdrop that will assist understanding. Granovetter's (1985) embeddedness theory and the acknowledgment that food objects/commodities have 'social lives' present a basis for this understanding and an overarching framework in which the research is situated. Embeddedness theory posits that all economic behaviour is "embedded" in the social and, accordingly, "networks of interpersonal relations" (Granovetter, 1985, p.504). This specifically relates to the cottage food industry in Tasmanian agriculture as it recognises that the act of food processing is a value adding economic activity that takes place within a socio-cultural context. As such, understanding and meaning is also

attained from this backdrop. Food processing, just like farming, “is a socio-cultural practice rather than just a technical activity” (Vanclay, 2004a, p.213).

The commodity (or in this case the food item) exists within a social and environmental context and is exchanged and valued through the coordination of actors. Thus, the commodity embodies meanings and qualities that surround it and which actors assign to it. A food product encompasses more than just the physical properties, such as taste and texture; rather, a food item takes on meanings and characteristics that surround its production and consumption. In saying this, the food consumer is at the same time an information consumer. This embeddedness is described by Bridge and Smith (2003, p. 257-259), who suggest:

with their identities less certain and more fluid, commodities are now described as having biographies and geographical lives, as things that – through exchange and consumption – become active constituents of social relations and co-participants in the unfolding of the world ... the identity and meaning of these objects are not innate but arise out of the interaction of objects with social context ... and that, as a result, the meanings of a commodity are not only plural and contested, but also mutable over time and space ... Such ethnographic techniques are used to contextualise commodities within prevailing cultural practices and to understand the utility, meaning and symbolism of commodities from within the frame of reference of those who interact with the commodity.

The agrifood product as a commodity is also embedded within an ecological context. In a market that is increasingly placing value on regionally/locally embedded food products, the recognition and incorporation of its ecological surrounds has never been more important. More specifically, the artisanal food product captures characteristics and meanings which can only be imparted or assigned by the specifics of the local surrounds.

The Cottage Industry

The first scoping study finding found that the cottage enterprise label is self-assigned by the enterprises themselves and attached by other actors.

Scoping Study Finding #1: The enterprises and other actors informally label the vignettes and other businesses as cottage industries.

In Scoping Study Finding #1, informal labelling refers to the notion that the industries are assigned labels/identities unofficially by the principals of the enterprises, locals, and tourists alike. They do not adhere to formal certification schemes. The vignettes refer to those enterprises outlined in Chapter 2. From the first scoping study finding, a number

of questions arise. What is a cottage industry? Is the cottage industry an appropriate label as applied to the enterprises under study? What parts of the cottage industry identity, if any, are lost upon expansion? Why are cottage industries that have expanded past the small-scale stage still labelled as cottage industries by some actors? More specifically, why is an enterprise in the scoping study referred to by a key informant as a “multinational cottage-type industry”?

The following will present a review of the literature surrounding the cottage industry identity. The outcome of this review is the development of a number of defining characteristics of a cottage industry and Research Sub-Question 1.1.

Corresponding with EPAT’s (2003, website) statement that “there is no single universally accepted definition of what comprises a small-scale enterprise”, there is also no definition of a cottage industry. In order to develop the defining characteristics of a cottage food industry, definitions of cottage industries from the craft industry and raw agricultural production are also included. The following demonstrates similarities and differences that exist amongst the definitions and a set of defining characteristics are subsequently developed.

In Chapter One, the thesis began with a preliminary definition of a cottage industry, which stated that it was “a usually small-scale industry carried on at home by family members using their own equipment” (*The American Heritage Dictionary*, 2004, website). EPAT (2003, website) suggests that there is a difference between small cottage industries and small enterprises, with the cottage industry being “characterised by household location”, “traditional artisanal techniques” and the employment of up to five workers. Despite this, however, EPAT (2003, website) states that it is not easy to neatly categorise cottage enterprises and the larger small-scale business.

In the literature, a number of cottage industry definitions refer specifically to the enterprise being conducted in a household location (EPAT, 2003; HyperDictionary, 2000-2003; Investorwords, 1997-2003; *The American Heritage Dictionary of the English Language*, 2000). The literature also relates a cottage industry with the number of employees, the type of employees in regards to family membership, and the seasonality of required labour. The literature differed, however, in the number of employees, with suggestions that a cottage industry consisted of five workers or less (EPAT, 2003; WBI, 2003a); fewer than ten staff (WBI, 2003b); and not exceeding fifteen staff (i.e. not including the owner, family members, relations, dependents or

others) (SSIC, 2003). The literature also suggested that labour was seasonal (WBI, 2003a) and that the work was carried out by family members (HyperDictionary 2000-2003; RIRDC, 2003; The American Heritage Dictionary of the English Language, 2000).

In regards to ownership in a cottage industry, the literature suggested that the owner is also investor and labourer (SSIC, 2003). The Bureau of Rural Service's (2002, website) definition incorporates ownership into their explanation of a cottage industry by stating that "small-scale, artisanal traditional fisheries" are those units which are "small, locally owned business usually associated with low relative yield and limited technology."

The notion that added value is more significant in the cottage industry than in other sectors is also suggested in the literature (WBI, 2003a). This refers to the idea that the cottage industry generally receives higher prices per unit than mass produced, bulk processed food items (e.g. cottage industry jam versus mass produced jam). It relates to the notion of high intellectual content (Eslake, 2002) or symbolic density (Brunori et al., 2000, p. 1) aforementioned. Also related to added value being more significant in cottage industry products is that the products are "often unique and distinctive, given that they are not mass produced" (Investorwords, 1997-2003, website). Associated with the products not being mass produced is that these industries are small in scale, which is used by HyperDictionary (2000-2003); BRS, (2002); and, The American Heritage Dictionary of the English Language (2000).

A characteristic of a cottage industry referred to by RIRDC's (2003, website) reference to the Culinary Herb Industry is that of selling arrangements, which suggests that "cottage industry and lifestyle growers ... have holdings of less than 1 ha, may rely entirely on family labour, and sell only locally or direct to the public." Additional definitions of a cottage industry refer to processing characteristics, such as enterprises using their own equipment (HyperDictionary 2000-2003; The American Heritage Dictionary of the English Language, 2000), the industries use of limited technology (BRS, 2002) and artisanal methods of production (EPAT, 2003; WBI, 2003b).

In order to examine the cottage industry identity, it is firstly necessary to define a cottage industry. As such, the following will present a number of defining characteristics of a cottage industry and Research Sub-Question 1.1 which have been developed from the preceding literature review.

Defining Characteristics of a Cottage Industry

In constructing a set of defining characteristics of a cottage industry from the literature, a contrast with the industrial agrifood system is useful. Industrial agrifood industries are often characterised by economies of scale; monoculture, intensive input and machine use; specialisation; mass produced processing; conventional food supply chains, which can be highly spatialised and respective nodes are segregated; and lack of knowledge among consumers regarding the food item and its context (i.e. anonymity versus transparency).

Defining Characteristic #1 – Location of Business

The first defining characteristic of a cottage industry to be developed relates to the location of the business (EPAT, 2003; HyperDictionary, 2000-2003; Investorwords, 1997-2003; The American Heritage Dictionary of the English Language, 2000). For the purposes of this research, this defining characteristic will refer to an industry where the bulk of the business activities (including processing) are carried out on-site or near the principals' place of residence. This does not necessarily relate to the business activities being conducted in the residential home.

Defining Characteristic #2 – Employees

The second defining characteristic of a cottage industry has been grouped under the heading of employees. In relation to employees, the literature referred to the number of employees, the type of employees in regards to family membership, and the seasonality of required labour (EPAT, 2003; WBI, 2003a; WBI, 2003b; SSIC, 2003; HyperDictionary 2000-2003; RIRDC, 2003; The American Heritage Dictionary of the English Language, 2000). Thus, the developed employee defining characteristic of a cottage industry is defined as where the primary labour is carried out by the owner-operators or family and additional labour is required on demand only or for specialist tasks.

Defining Characteristic #3 – Owner is investor and labourer

The third defining characteristic of a cottage industry to be developed from the literature is that the owner is investor and labourer (SSIC, 2003). In relation to the industry under study, this refers to the food processor supplying both the majority of labour input and not relying upon external interests for major capital contribution.

Defining Characteristics #4 – Local Ownership

Locally owned is the fourth defining characteristic of a cottage industry to be developed from the literature (BRS, 2002). This is positioned in contrast to those enterprises where ownership is by actors external to the region and where profits flow outside of the locality. As such, the definition of local ownership refers to the capital required to operate the business is locally sourced. This contrasts with the use of capital from actors external to the region (such as foreign investment).

Defining Characteristic #5 – Significant Added Value

The fifth defining characteristic of a cottage industry developed from the literature is that added value is more significant than in other sectors (WBI, 2003a). This refers to the idea that the cottage industry generally receives higher prices per unit than mass produced, bulk processed food items (e.g. cottage industry jam versus mass produced jam). It relates to the notion of high intellectual content (Eslake, 2002) or symbolic density (Brunori et al., 2000, p. 1) aforementioned. Consumers are willing to pay premium prices for the unique characteristics and meanings associated with cottage food enterprises which are embedded within the food product and embodied upon consumption.

Defining Characteristic #6 – Not Mass Produced

Another defining characteristic of a cottage industry referred to in the literature is that cottage industry products are “often unique and distinctive, given that they are not mass produced” (Investorwords, 1997-2003, website). The developed definition views mass production as “a production system [which is] characterised by mechanisation, high wages, low prices, and large-volume output” (Hounshell, 1984, p. 305). Included in this characteristic is the term small-scale, which is used by HyperDictionary (2000-2003); BRS, (2002); and The American Heritage Dictionary of the English Language (2000).

Defining Characteristic #7 and #8 – Sell Only Locally and Sell Directly to the Public

The seventh defining characteristic of a cottage industry developed from the literature was that cottage industry growers “sell only locally or direct to the public” (RIRDC, 2003, website). In regards to the spatial characteristic, four different markets are referred to throughout the research: regional (Tasmania); sub-regional (on-farm, neighbouring farms or within the local area); national (Australian); and international. The characteristic of selling directly to the public has already been evidenced via sales at the cellar door, farm gate and local markets in the scoping study. In these

arrangements, consumers are able to construct first hand knowledge of the information surrounding the product (e.g. how it was processed, who processed it and where the product originated from). This is often in contrast to the anonymity that exists between producer/processor and consumer in the selling of conventional food products.

Defining Characteristic #9 – Use Their Own Equipment

Another defining characteristic of a cottage industry that is mentioned in the literature is that the enterprises use their own processing equipment (HyperDictionary 2000-2003; The American Heritage Dictionary of the English Language, 2000). This characteristic is opposed to the hiring or leasing of equipment.

Defining Characteristic #10 – Lower Levels of Machine Use

The use of limited technology is an additional characteristic that is used to define cottage industries in the literature (BRS, 2002). This characteristic has been developed into lower levels of machine use. Thus, there is a higher labour content involved in the production of cottage industry products and machines are still utilised (and it might even be sophisticated technology), however, it is not as machine-intensive as food processed in the industrial system.

Defining Characteristic #11 – Artisanality

Artisanality is the final defining characteristic of a cottage industry which is present in the literature (EPAT, 2003; WBI, 2003b). In view of artisanality being a core identity examined within the thesis and two of the scoping study findings, artisanality will be explored in-depth in the following section.

The scoping study revealed that the informal cottage industry label is an identity that is attached/assigned to the enterprises by the principals themselves and other actors. From this finding a number of questions arose: What is a cottage industry? Is the cottage industry an appropriate label as applied to the enterprises under study? What parts of the cottage industry identity, if any, are lost upon expansion? Why are cottage industries that have expanded past the small-scale stage still labelled as such by some actors? More specifically, why is an enterprise in the scoping study referred to by a key informant as a “multinational cottage-type industry”? In order to explore the cottage industry identity further, a set of defining characteristics were developed from a review of the literature. Thus, in order to explore this identity and the questions that arose, Research Sub-Question 1.1 is arrived at: *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?*

The following section further explores the artisanal identity, which was found to be an informal label attached to the enterprises under study and is a defining characteristic of a cottage industry.

Artisanal Food Production: Associations with Place, The Culture Industry and Authenticity

The scoping study revealed that the artisanal identity is another informal label attached/assigned to the industry under study. This identity was also found to be linked with enterprises that had expanded past the small-scale stage. Thus, Scoping Study Finding 2 and 3 found that:

Scoping Study Finding #2 – These industries and other actors view their units and products as artisanal/hand made (i.e. informally label them as such).

Scoping Study Finding #3 – Larger enterprises which have evidently expanded, and their products, are also viewed as artisanal (i.e. artisanal identity preservation).

This section offers a review of literature surrounding artisanal food production and associated concepts and themes (such as link to place and the culture industry). From the review, three components of artisanality and Research Sub-Question 1.4 are arrived at (see Table 3.3). The developed components of artisanality will permit an exploration of this identity.

Historically, agrifood research has “tended to focus on the standardised-generic world” (Murdoch et al., 2000, p. 14), where standardised refers to the “supply of critical inputs to the producer, such as the technology, information, and skills necessary to carry out production ... is easy [to source], and relatively cheap, to expand” and generic designating products which “correspond to undifferentiated markets” (Storper, 1997, p.3). In contrast, the specialised-dedicated world relates to the “supply of critical inputs” which are “rare or costly and time-consuming to reproduce” (i.e. specialised) and dedicated denoting products that “are made for clients whose demands have precision and personality (Storper, 1997, p. 3). The artisanal food product is situated within the specialised-dedicated world and, despite the paucity of research into these worlds, “in many respects these other spheres of production show as much dynamism and market growth as the commonly referenced world of globalised, industrial food” (Murdoch et al., 2000, p. 14).

**TABLE 3.2: SCOPING STUDY FINDING 2 AND 3, THE LITERATURE REVIEWED
AND THE RESEARCH QUESTION DEVELOPED**

Scoping Study Finding 2	These industries and other actors view their units and products as <i>artisanal</i> /hand made (i.e. informally label them as such).
Scoping Study Finding 3	Larger enterprises which have evidently expanded, and their products, are also viewed as artisanal (i.e. <i>artisanal identity preservation</i>).
Literature Reviewed	Definition and components of artisanality Artisanal entrepreneur Place The Culture Industry Concept of authenticity
Research Sub-Question Developed	1.4 How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?

The gap in the research has also been pointed out by Tregear (2002, website), who suggests that:

Within the broad spectrum of research into small firms, the craft or artisan producer has been relatively neglected. This is spite of the fact that craft firms have an important role to play in a diversified rural economy, from the point of view of providing high value products often made according to traditional techniques, requiring labour intensive processes and considerable levels of skill. These attributes have knock-on benefits in terms of rural employment and diversification of the skill base.

As artisanal products attract new meanings associated with quality food, regional embeddedness and the preservation of diversity, there is an increasing need for research into this subject. The dilemma is, as ITC (2003, website) states, that there “is no universally acceptable definition for artisanal products due to the many variables involved and the different purposes for which it may be sought.” As such, this section will develop a definition based upon a review of the literature. De Roest’s (2002, p. 2) comparison with the industrial system – that is, “the most significant difference between an industrial and artisan system is the difference in the ratio of capital to labour” – will be used as a foundation in developing the components of artisanality. Artisanal food production has a lower capital but higher labour input than the industrial system, while the industrial product is produced with higher capital input and a lower labour content than the artisanal product. As De Roest (2000, p.2) suggests, the industrial system mainly rewards the amount of capital invested, whereas in the artisanal system, it is the labour input that is rewarded.

In building upon De Roest's (2002) conception of artisanality, a definition which was accepted by the representatives of 44 countries at the *UNESCO/ITC International Symposium on Crafts and the International Market: Trade & Customs Codification (Manila, 1997)* will be utilised (ITC, 2003, website). This definition states that artisanal products are:

those produced by artisans, either completely by hand, or with the help of hand-tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product. These are produced without restriction in terms of quantity and using raw materials from sustainable resources. The special nature of artisanal products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant. Artisans can be basically defined as persons who carry out a manual work on their own account, often helped by family members, friends or apprentices, even workers, with whom they constantly keep personal contacts, which generate a community of intellect and attachment to the craft (ITC, 2003, website).

An additional scoping study finding was that enterprises which had evidently expanded past the cottage industry stage were also viewed as artisanal. The questions that this poses are: Is the artisanal identity appropriate as it relates to expanded enterprises? If so, how has artisanal identity preservation occurred? If the artisanal identity is not an appropriate label, why are these enterprises and their products still viewed as artisanal? According to the International Trade Centre (2003, website), the definition of an artisan "should be made flexible" in order to include the aptly termed "artisan entrepreneur". Although this definition deviates from the above definition, where "the direct manual contribution of the artisan remains the most substantial component of the finished product", "artisan entrepreneurs" are still considered artisans (ITC, 2003, website). That is, an "artisan entrepreneur" is one who:

a. although not actively participating themselves in production, specialise in research, market negotiations or produce design and conception, b. also make use of machine tools or even other machinery, yet not affecting the artisanal nature of the work and the production process, c. beyond the usual cottage or artisanal unit, have associated in cooperatives or any other form of organisation (even informal); d. manage or form part of micro, small or medium sized enterprises concerned with artisanal production (ITC, 2003, website).

From these definitions, hand processing and the artisanal entrepreneur are important considerations when analysing artisanality. Furthermore, in alignment with De Roest's

(2002) definition of artisanality as having a higher labour input and ITC's (2003) suggested roles undertaken by an artisanal entrepreneur (such as product conception and design; management; research), the notion that the artisan is responsible for many of the business activities as well as hand processing is appropriate. Thus, the second component of artisanality developed is that of the artisanal business unit, where the principals (Owners/Investors/Labourers) are responsible for many of the business activities themselves rather than outsourcing. The business activities could include production of raw agriculture right through to sales or could involve the construction of a website or account keeping. It was shown in the scoping study that many of the vignette industries grew all, or part of, the raw product that was used in processing and that they were often involved in selling their own products (via cellar door, farm gate, or local market).

The final component of artisanality developed is partly associated with the hand processing and artisanal business unit components. This third component relates to the principal as artisan having hands-on contact with the artisanal product from start to finish. An artisan is responsible for, and involved with, the creation of the product from conception to end. In a marketplace that is increasingly valuing alternatives to the industrial food system, the artisan's involvement with the product throughout its entire life cycle potentially signals a quality food product. This final component has been termed product involvement.

Initially, it was shown that artisanality is a defining characteristic of a cottage industry (EPAT, 2003; WBI, 2003b). This characteristic was explored further because of its core positioning in the research project and De Roest's (2000) conceptualisation of artisanality as a high capital to low labour ratio was used as a foundation for the development of the components of artisanality. Thus, the three developed components of artisanality include:

- *Hand-processing* – “Artisanal products are those produced by artisans, either completely by hand, or with the help of hand-tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product” (ITC, 2003);
- *Artisanal Business Unit* – This concept is associated with the idea that the principals (Owners/Investors/Labourers) are responsible for many of the business activities themselves, rather than outsourcing (i.e. they distribute the product, do their own accounts, construct their own website and grow the raw produce that goes into their product); and,

- *Product Involvement* – This is similar in idea to the artisanal business unit component; however, rather than being responsible for the business activities, it refers to having hands-on contact of the product from start to finish. This refers to the notion that an artisan is responsible for creation from conception to the end. For a quality end product, it is expected that the artisan thoroughly knows the raw product and works with it through the entire life cycle. This category sits in opposition to the specialisation of labour, where the labourer is responsible for only a part of the life cycle of a product.

In examining artisanal food production, links with place cannot be ignored. Artisanal food production is embedded within a socio-cultural and ecological context. As such, artisanality is not only territorial, but is also an expression of the human input component referred to previously and the biophysical characteristics that impart distinct qualities upon the product. Artisanal food products are products of place. Moreover, it is how actors view the locality in which the product is produced and the images that are linked to that particular place that further impart meaning and product attributes.

Products of place can be contrasted against conventional food products, where each node of the food chain (such as raw agricultural production, processing and sales) is spatially distanced and the product is not representative of place. Despite artisanal or products of place being sold in distant markets, the bulk of the business activities are geographically concentrated. This was evidenced in the industries outlined in the scoping study where the bulk of the business activities were undertaken within the sub-regional area. The following will offer an exploration of the notion of an artisanal food item as a product of place.

Place and Space

The concept of place in the literature is very broad and spans many disciplines, including cultural studies, geography, psychology, sociology (Janz, 2005), architecture and planning, anthropology, environmental history and philosophy (Gieryn, 2000). Some terms related to and/or substituting for place include sense of place, genius loci, spirit of place, rootedness, topophilia, community sentiment, local sentiment, place attachment, home, dwelling, milieu, territory and space (Janz, 2005, website; Janz, 2006, website). Gieryn (2000, p. 464-465) suggests that place has three features: “geographic location”, “material form” (“physicality”) and “investment with meaning and value”.

For Sage (2003, p. 53), artisanal food products differ from conventional food products:

not only because of the scale of their relative production, but because the materials and methods used are specified and have an association with their locality of origin, or because of their embodied attributes (taste, appearance).

Thus, the conception of artisanality extends past the common notion of small-scale production. There is an association with locality, which has already been evidenced in the vignette industries that were outlined in the scoping study. This locality related to the sub-region which, in this research, refers to on-site location and nearby/neighbouring farms.

An additional consideration in regards to place and agrifood processing is that not only is the region impacted upon by external trends and forces, but that regional agrifood is influencing and resisting characteristics and trends in the external marketplace (Illbery and Kneafsey, 1999). As such, “it is necessary to keep the region or locale as the context for developing an understanding of the construction of niche markets for regional specialty food products” (Illbery and Kneafsey, 1999, p. 2221). Additionally, there have been concerns over the homogenising effects that globalisation is creating; however, the diversity that is being evidenced in the revaluing of, and challenges by, ‘alternative’ (to the industrial system) products, sets somewhat of a different scene.

Apart from the physical attributes of the environment in which the product is embedded, ultimately it is the images and identities that express place which are constructed by both internal and external actors. Place refers to the:

place of origin of a product and its raw materials, invoking the power associated with the meanings people attach to those places (Gieryn, 2000). These meanings are created both by local people in their building a ‘sense of place’, as well as by non-local people, such as consumers, who may have romanticised views about a place and products that come from there. The stories that are told about a place are important in constructing these images of place. Where communities actively construct positive identities, take pride in these identities and representations, and feel a sense of belonging and ownership, and propagate this identity, place becomes a powerful signifier, especially when non-locals accept those stories and images. Tasmania is such a place that inspires interest. With tourism booming and the media actively promoting Tasmania as Australia’s natural state, ‘Tasmania’ has become a powerful marketing icon. In fact, there is even a government supported body to promote the place-identity of Tasmania, called Brand Tasmania (website:<http://www.brandtasmania.com>). In its promotion of Tasmania’s food products, Brand Tasmania utilises these place-based characteristics to demonstrate quality (Gralton and Vanclay, 2005, p. 3).

Tregear (2003, p. 92) relates artisanal food production to place by positioning it as a food product “with special characteristics relating to territory.” In fact, Tregear (2003, p. 92) states that there has been a fair bit of research on territorial products due to the concept encompassing a whole range of terms, such as:

typical products (Arfini and Mora, 1998); origin labelled products (Barjolle and Sylvander, 1999); traditional foods (Bessiere, 1998; Amilien, 1999; de Roest and Menghi, 2000), regional specialty products (Tregear et al., 1998; Illbery and Kneafsey); artisanal products (Kupiec and Revell, 1998); and special quality or quality farm products (Murdoch et al., 2000; Verhaegen and Van Huylbroeck, 2001).

It is this association between artisanal food production and place that presents opportunities in the marketplace. In drawing upon Bourdieu’s notion of ‘cultural capital’, Ray (2003, p. 5) suggests that ‘cultural capital’ is an “array of features that makes one territory different from another” and “can manifest itself in many forms, including gastronomy”. In relation to the cottage industry, it is proposed that artisanality is one such manifestation of cultural capital, which can create territorial differentiation and offer potentialities for regional development. Artisanality is the interface at which the principals’ values and beliefs, the local ecology/raw agricultural produce, and the value-adding economic potentialities converge. The outcome is a product that is regionally embedded, so much so, that it is unable to be reproduced to the same level of specificity, thereby creating competitive advantage. Economic opportunities abound, particularly in a marketplace where there is an increasing demand for products that differ to those manufactured within the industrial system. The increased demand and production of artisanal products is truly a worldwide phenomenon. This is supported by Marsden’s (2003, p. 16) research, which although pertaining specifically to the United Kingdom, highlights the increased growth of the industry by suggesting that the:

trend in production and consumption patterns is the emergence of a strong and growing market for regional, local and artisanal foodstuffs. This represents a major discontinuity from the assumed dominant trend within the food industry for centralisation, standardisation and increased homogeneity. In many respects such products represent a manifestation of the small is beautiful movement. Their defining characteristics are small scale of production, using high grade raw materials (often but not necessarily of local provenance) and artisanal/traditional production techniques to create quality items which attract premium prices which for the most part are sold through local and/or specialist shops rather than large retailers ... The growth of the domestic market for such products is rapidly growing in the UK, according to one survey by 20 percent over the past three years and now accounting for 5 per cent of grocery expenditure (DTZ Prieda Consulting 1999). Some products are

genuinely rooted in tradition others may have long traditions of production but have only been recently re-branded themselves in order to differentiate themselves from similar products and some may be relatively new product lines, which nonetheless embody quality and authenticity.

In extending the idea that economic activities are embedded within a socio-cultural context, artisanality can also be viewed, potentially, as a manifestation of a processor's values and beliefs. This indicates that not only is the artisanal food industry a food processing industry, but that it also aligns with the notion of a cultural industry, as the following demonstrates.

Artisanal Food Production as a Culture Industry

Artisanality is potentially an expression of a processor's values and beliefs. It is a cultural manifestation, which is expressed and valued in the final food product. In this way, artisanal food production is a cultural industry, in that, such products:

combine the creation, production and commercialisation of contents which are intangible and cultural in nature ... Cultural industries add value to contents and generate values for individuals and societies. They are knowledge and labour-intensive, create employment and wealth, nurture creativity – the "raw material" they are made from –, and foster innovation in production and commercialisation processes. At the same time, cultural industries are central in promoting and maintaining cultural diversity and in ensuring democratic access to culture. This twofold nature – both cultural and economic – builds up a distinctive profile for cultural industries (UNESCO, 2005a, website).

It is the valuing of these intangible qualities that is of particular interest when researching artisanal food production. The artisanal food product – as a cultural product – turns intangibles, such as care, passion, creativity, into commodities. As such, the food product (i.e. the commodity) becomes a signifier of these intangibles. Scoping Study Finding 3 also revealed that expanded enterprises are informally labelled as artisanal. Do the expanded enterprises manifest these intangibles in similar domains to those of the small-scale units? How has artisanality been preserved in the expanded enterprises? These questions lead to the investigation of the concept of authenticity, which is increasingly associated with food quality. Identity preservation is inextricably linked with authenticity. Thus, how have the expanded enterprises preserved authentic artisanal identities upon expansion? The following will draw upon literature surrounding this concept of authenticity.

Authenticity

Authenticity is a descriptor that is associated with agrifood production in the literature and in the marketplace. It is used in a wide range of contexts, from “hand made to an authentic style recipe” (Westhaven Dairy, 2003, website) to referring to “whether the food purchased by the consumer matches its description” (Food Standards Agency, 2006, website). One example of the use of authenticity is in food regulation, demonstrating its socially constructed and negotiated nature. That is, there has been:

considerable disagreement on the meaning of “authenticity”, which has inspired the 1992 EU legislation on food labelling (the term authenticity, is used to translate the concept of “typicité”, which is the basis of all French and Italian quality labelling systems, meaning that a product must be “typical” – for example, representative of a particular area, in addition to being produced with premium raw materials and, often, traditional techniques) (Bureau and Marette, 2000, p. 173).

There is a significant body of literature surrounding authenticity in tourism studies and it is from this where most of this review is sourced. In contrast to authenticity being viewed as “a given or objective quality” and that every actor has the same perception of authenticity, Cohen (1988, p. 374) suggests that “authenticity is a socially constructed concept” and is “not given, but negotiable”. Wang (1999, p. 355) suggests that there are a number of features which are present in the constructivist approach to authenticity, which include:

- (1) there is no absolute and static original or origin on which the authenticity of original relies;*
- (2) our notions of origins are constructed to serve present needs and are contested;*
- (3) the experience of authenticity is pluralistic;*
- (4) things are often labelled authentic when they conform to stereotyped images. Authenticity is, in this regard, a projection of tourists own expectations; and,*
- (5) things once defined as inauthentic can be redefined over time through a process of “emergent authenticity.”*

Food processing and authenticity can be understood from the perspective that food production, consumption and context are experiences of the food processor/consumer, as opposed to the tourist in the tourism literature. Moreover, because authenticity is a socially constructed identity, it will be set within a context of contestation, negotiation and power relations. An object is not authentic just because it is, but it is ascribed

authenticity based upon different actors' interpretations of what constitutes an authentic identity.

According to Cohen (1988), different actors seek out a diverse range of traits in order to authenticate a cultural product. These traits are referred to as "diacritical" because they are essential to the actors' construction of authenticity (Cohen, 1988, p. 378). Thus, there are "differential symbolisations of authenticity", where certain actors require a larger number or specific type of trait to assign authenticity (Cohen, 1988, p.383). If these traits are present, the entire product is authenticated. Cohen (1988, p. 383) suggests that:

Such traits can then be taken to authenticate, metonymically, the product as a whole. The breadth of such authentic traits necessary to satisfy the tourist will, in turn, depend on the depth of the touristic experience to which each individual tourist aspires. Since most rank and file tourists do not aspire to much depth, a few traits of a cultural product which appear "authentic" will in most cases suffice for its acceptance as an "authentic" product. Hence mass tourism does not succeed because it is a colossal deception, but because most tourists entertain concepts of "authenticity" which are much looser than those entertained by intellectuals and experts, such as curators and anthropologists.

Also associated with authenticity is the suggestion that the commodisation of culture, or in this case the production of artisanal products specifically for the market, destroys authenticity (MacCannell, 1973). The destruction of authenticity results in what has been termed 'staged authenticity', in which the authentic experience has been modified to accommodate the tourist/food consumer (MacCannell, 1973). The question is whether this has occurred in the expanded enterprises. That is, upon expansion, is the artisanal food product still authentic? Or, has artisanality been modified/destroyed to accommodate the food consumer or the evils of the marketplace? Cohen (1988, p. 379) disagrees with the notion of "staged authenticity" in that tourists are not dim-witted "victims of a prevaricating touristic establishment which 'stages' authenticity", nor is a food item's authenticity set in stone.

In relation to authenticity, prior research suggests that products that appear more natural and have a home-made/handmade look are more likely to be considered authentic (MacCannell, 1976; Littrell et al., 1993; Cohen, 1988 and Trilling, 1972). In Britain, Groves (2001) conducted research into consumer perceptions of authentic British food products, with "perceptions of authenticity relat[ing] to both artisan as well as mass-produced, branded products." However, Groves (2001, p. 249) found that

“craft and specialist products” are viewed as more authentic and it was suggested that the “quantity of production, level of processing, the recipe used and whether a product is handmade” also signified authenticity. The study additionally found that where the product was produced and the origin of the raw agricultural produce also affected the assigning of authenticity (Groves, 2001).

In another study of regional food consumers conducted by Kuznesof et al. (1997), the term authentic as a descriptor was mentioned only four times by three groups. The notion of ‘perceived authenticity’ was found to be a chief factor in foods being considered regional (Kuznesof et al., 1997). Perceived authenticity incorporated “personal factors” (“knowledge” and “experience” of the product); “product-related factors” (i.e. “product name, its description, appearance, packaging and ingredient information”); and “situational factors” (i.e. where the food product is purchased or consumed, such as from a specialist delicatessen) (Kuznesof et al., 1997).

A study conducted by Kelly (2003) examined authenticity and Hawaiian shirts. Although in a different area to food processing, the findings highlight some important considerations. In Kelly’s (2003) study, it was found that for a garment to be considered authentic, the graphics, the person who designed and/or sold it, and the ambience and social interaction surrounding its purchase must all be consistent with the tourist’s experience. Other factors that assigned authenticity were that it was not mass-produced and personalised exchanges with the locals who are genuinely a part of the island experience (Kelly, 2003).

This section has explored the artisanal identity and developed three components of artisanality. Also examined were: the links between artisanal food production and place and space characteristics; the artisanal food industry as a cultural industry; and the notion of authenticity as it relates to identity. The scoping study revealed that the artisanal identity is an informal label attached to the cottage food industry and also to enterprises that had expanded. Thus, from a review of the literature surrounding artisanality and Scoping Study Finding 3, Research Sub-Question 1.4 was arrived at:

Research Sub-Question 1.4: How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?

The following will present an exploration of another identity attached to the industry under study, that of the quality food identity (of which artisanality is a component).

The Social Construction of Quality Food Meanings and Discursive Dominance

Quality is another identity that is attached to the food items produced by cottage industry in Tasmanian agriculture. It can be an all encompassing term that potentially includes, amongst many others, the defining characteristics of the cottage industry and components of artisanality developed thus far. Quality can incorporate characteristics that are “tangible and intangible; measurable and indeterminable; able to be standardised and incapable of standardisation” (Gralton and Vanclay, 2005, p. 2). This section of the chapter is directed by two of the scoping study findings (see Table 3.4), which include:

Scoping Study Finding #4 – The industry’s products are viewed as quality food products.

Scoping Study Finding #5 – Food safety legislation as an aspect of food quality is a significant issue that a segment of the industry is encountering (i.e. product labelling).

These findings will guide the literature review, culminating in the development of a number of heuristic characteristics of quality and two research sub-questions.

TABLE 3.3: SCOPING STUDY FINDING 4 AND 5, THE LITERATURE REVIEWED AND THE RESEARCH QUESTIONS DEVELOPED

Scoping Study Finding 4	The industry’s products are viewed as <i>quality</i> food products.
Scoping Study Finding 5	<i>Food safety</i> legislation as an aspect of food quality is a significant issue that a segment of the industry is encountering (i.e. product labelling).
Literature Reviewed	Historical contextual literature – shift/market trends towards quality food production and consumption and food safety; Bureaucratic Hygienic Mode (Marsden et al., 2001) Five developed components of quality Conventions theory Theory of Communicative Action (Habermas)
Sub-Questions Developed	1.2 What contestations exist over the meanings of quality and how has it been reproduced over space and time? 1.3 How have the expanded enterprises managed to expand without losing quality meanings?

Competitiveness within the agrifood industry is progressively being based upon quality as opposed to price (Marsden et al., 2000b). As such, the research of food quality as a socially constructed concept that is continuously being renegotiated is an increasingly

important subject matter. In a 2002 article by Parrot, Wilson and Murdoch (p. 243), it was expressed that “there has been little in-depth analysis of ‘quality’ itself, especially as this notion links to the spatial distribution of productive activities.”

In line with Granovetter’s (1985) embeddedness thesis, that all economic activities occur within a social context, Ventura and van der Meulen (1994, p. 128) suggest that “the concept of quality should be seen as a social definition.” For Illbery and Kneafsey (2000, p. 217), “the concept of ‘quality’ is one which is contested, constructed and represented differently by diverse actors operating within a variety of regulatory and market arenas.” These struggles over food quality indicate that it is a socio-political process, where actors with different interests, ideologies and resource levels compete for their meanings of quality to become the preferred meanings of quality by society and customer alike.

The following will review literature surrounding quality in relation to the agrifood industry and will present a contextual backdrop to assist understanding. The most obvious food quality characteristics are physical, which can include such traits as colour, taste and texture. However, commodities do have ‘social lives’ and in this respect embody external meanings and characteristics. Sage’s (2003, p. 50) reference to “good food” instead of quality food presents a fine introduction to the idea of quality (even if it is termed something else), explaining that “good food” has the:

capacity to confer quality and to encompass a variety of different products and materials. It is a heuristic and hybrid term, for it embodies both ‘nature’ and ‘culture’ and possesses powerful discursive characteristics. Yet importantly it avoids – at least for the moment – much of the contested terrain attached to the notion of quality. Quality is a complex term encompassing a wide range of characteristics and defined quite differently by different actors.

Additional meanings and characteristics that quality food may encompass is shown by what Marsden (2003, p. 5) terms the “diversity of concern”. These consumer concerns range from “animal welfare, environmental conditions, ethical questions, food quality and health” and have resulted from the problems associated with the industrial food system (Marsden, 2003, p. 5). In reinforcing the link between artisanality, place and quality, Sage (2003, p. 47) acknowledges that “quality and locality are becoming inextricably linked.” Official quality certification (as opposed to the informal labelling of the industries presented in this research) is increasingly associated with regional production and demonstrates the link between quality and locality (i.e. production occurs locally with local raw produce) (Illbery and Kneafsey, 1999).

Sage (2003, p. 50) maintains that good food (or in this case quality food) should encompass three characteristics: (1) the “embodied properties of the product”, such as “taste, appearance and other sensual attributes”; (2) “its ecologically embedded character defined by its locality of origin, the naturalness of its raw materials, and its methods of production”; and (3) “its socially embedded features that are established by its scale of production and by its generally localised distribution through short food supply chains.” Additionally, it is the “combination of the natural and human factors that determine final quality” in De Roest’s (2000, p. 73) examination of the production of Parmigiano-Reggiano cheese.

Another food quality trend that is emerging or rather is being revalued is that of close social relationships between actors within the food chain (i.e. producer, retailer and consumer). As Marsden (2003, p. 17) suggests:

Markets are being forged with new forms of social and association relationships, where alternate quality standards, generally favouring the ecological and the artisanal come to the fore, and where there is a reassertion of the value of the local, and whereby producers, or those closely linked to them retain a greater proportion of the value added.

However, despite these trends and the significant opportunities that are available, Illbery and Kneafsey’s (2000, p. 217) study on small-scale producers of regional specialty food products in the south-west of England revealed that “despite new regulatory frameworks and consumer concerns, producers usually define quality in terms of product specification and attraction rather than through official certification schemes or association with region of origin.” This poses the question as to how the processors in the cottage food industry in Tasmanian agriculture construct food quality when there are so many opportunities.

One food quality meaning which currently takes centre stage is that of food safety. This food meaning is increasingly becoming a problem for many small-scale processors as Scoping Study Finding 5 revealed. Australia per se might be relatively free from the current food scares; however, the nation’s positioning in a global context ensures that it must keep up with international standards. Thus, what applies overseas generally is being applied here in Australia. Bureau and Marette (2000, p. 173) suggest that included in food safety meanings of food quality is how the food is produced, such as the “social conditions, animal welfare, the use of GMOs [genetically modified organisms], hormones and growth promoters, cultural preferences, resource sustainability, and protection of the environment.”

Globally, food safety legislation is becoming stricter and retailers are leading the way in food safety, going above and beyond that required by government agencies. This trend is impacting those actors with fewer resources, namely the small-scale food processing industry. Satisfying food safety legislation is increasingly becoming a stipulation to gain access to the marketplace (Marsden et al., 2000b). As such, food safety is a method for larger industries to gain competitive advantage and value add. The shift by retailers to implement even stricter food safety regulations demonstrates to government authorities that they are taking the food safety issue seriously (Marsden et al., 2000b). This phenomenon has been referred to as the “bureaucratic ‘hygienic’ mode” of development, where the “agro-industrial logic has been supplanted in some respects by a parallel, more bureaucratic mode of regulation and perspective” (Marsden et al., 2001, p. 77). It is suggested that instead of creating alternatives to the agrifood industrial model, the hygienic mode is simply a model which fixes the ills associated with the industrial model (Marsden et al., 2001). That is,

as the industrial mode of food supply has become even more crisis ridden the state has attempted to largely ‘correct’ this by setting up highly professionalised and bureaucratised forms of environmental safeguards and instruments. This has also been conducted in the interests of the consumer, as a way of governments seeking to protect their interests at the same time as allowing corporate industry the ability to exploit new markets. The growth of a profound regulatory burden, as a response to the crisis in the industrial mode of agro-food, tends therefore, only to strengthen the economic and political power of established agro-industrial interests (including the large retailers and manufacturers). Both private and public forms of regulation are used to clean-up the industrial system in the ostensible public interest. Such schematisation holds the added consequence of further constraining the real potential of integrated agricultural development as well as providing new regulatory barriers to market entry from many smaller producers and processors. For consumers, it allows the disconnections and distanciations between production and consumption to conveniently continue: with an encouragement that safety comes before sustainability (Marsden, 2001, p. 13-14).

An additional consequence of the turn towards stricter food safety legislation in the agrifood market is the negative effect it is having upon traditional and alternative (to industrial) food production, processing and consumption. These foods promote “cultural heritage and diversity”; however, food safety legislation is increasingly preventing these foods and ways of life from existing (Marsden et al., 2001, p. 78). The ramifications of the shift towards food safety as the dominant food quality meaning extends further than having to process according to a set of regulations and procedures (standards), it permeates the very core of society, culture and the environment. Evidence of this occurring in the cottage food industry in Tasmanian agriculture was

demonstrated in the scoping study, where the Country Women's Association had to cease selling products after a number of decades due to those products not being produced within a commercial kitchen. Furthermore, it was also shown that no longer being able to use raw milk (i.e. unpasteurised) in cheese making, as a result of stricter food safety regulations, is a significant issue for some traditional cheesemakers. This concern is promoted by Slow Food, a movement which is indicative of the resistance to industrial agrifood and associated food safety regulations. Slow Food contests:

the standardisation of taste, defends the need for consumer information, protects cultural identities tied to food and gastronomic traditions, safeguards foods and cultivation and processing techniques inherited from tradition and defends domestic and wild animal and vegetable species" (Slow Food, 2006a, website).

The Slow Food's "manifesto in defense of raw milk cheese" can be seen as a metaphor for current challenges to the industrial food system around the world. It states that "raw-milk cheese is more than a wonderful food, it is a deeply embedded expression of our finest traditions" which is "under threat because the values it expresses are in opposition to the sanitation and homogenization of mass produced foods" (Slow Food, 2006b, website). The manifesto suggests that raw milk cheese is suffering under the "sterile hand of global hygiene controls (Slow Food, 2006b, website).

Quality is a construct that can encompass a diversity of meanings. In relation to the cottage food industry, the construction of quality is most aligned with characteristics and meanings that contrast with those associated with conventional products in the industrial food system. For the industry under study, the opportunities to draw upon these meanings are great, particularly when they are industry and region specific, as opposed to exogenous and imposed. In order to investigate the quality identity, a number of heuristic characteristics of quality have been developed from the literature review and the scoping study findings. These five characteristics of quality are presented in the following section.

The Characteristics of Quality: Technical; Place-based; Environmental; Socio-cultural; and Production-related.

A number of typologies of food quality are present within the literature, such as Meiselman's (2001, p.71-72) attributes of food quality, which extends Oude Ophuis and van Trijp's (1995) typology. Meiselman (2001, p.71-72) suggests that specific cues and characteristics of quality include: "Intrinsic cues", such as those characteristics

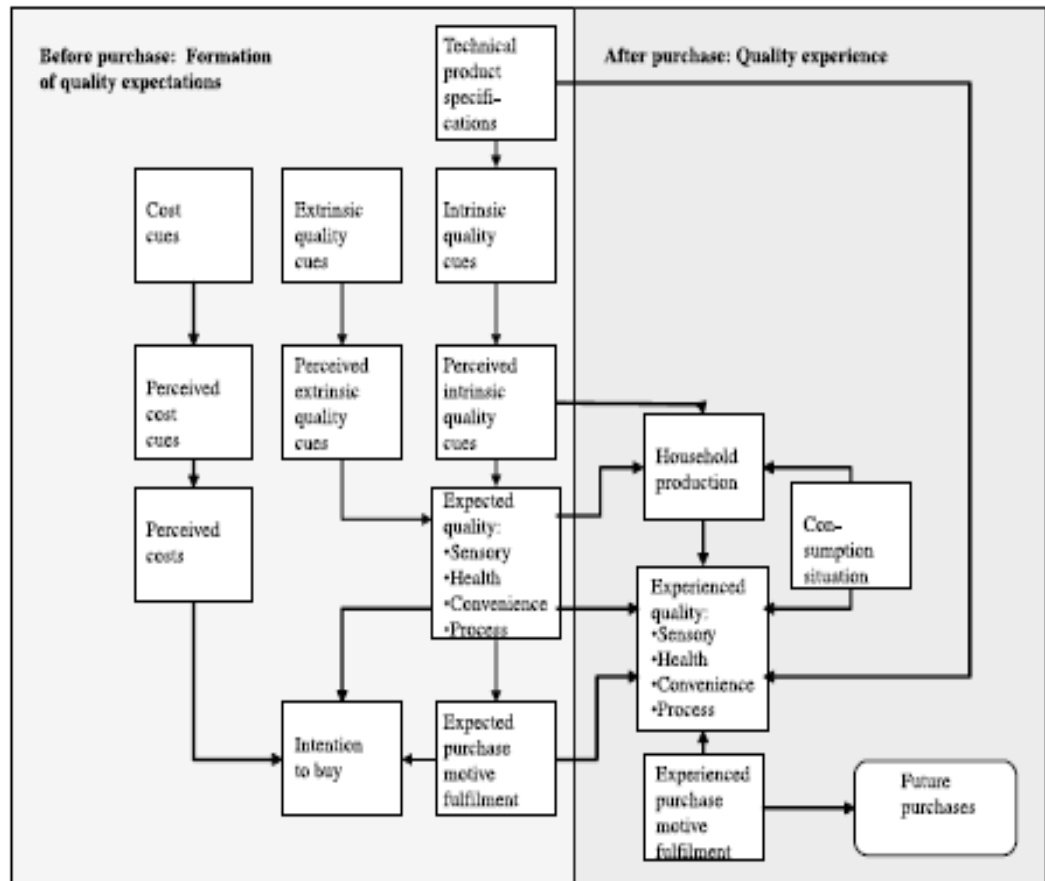
related to the physical (e.g. colour, shape); 2. “extrinsic cues” which can be modified without altering the physical attributes, such as price, brand or country of origin; 3. “experience attributes” such as flavour, texture and taste; and 4. “credence attributes” which are qualities that “are based on believing others”, such as “healthfulness, naturalness, animal friendliness”.

Caswell, Noelke, and Mojdzuska (2002) suggest that there are three characteristics of quality food that can be used to assist analysis: (i) “Intrinsic/extrinsic” where quality is perceived in relation to characteristics internal or external to the food item; (ii) “information environment” which includes: (a) “search nature” – where quality can be evaluated before the consumer purchases it; (b) “experience nature” – where the food product must be used to assess quality; and (c) “credence nature” – where quality cannot be gauged after purchase and consumption; and, (iii) “vertically/horizontally differentiated” – vertically referring to consumers assessing quality the same and horizontal relates to where consumers evaluate quality differently (Caswell, 2000, website).

Grunert (2005, p. 371) suggests that there is an overall consensus that quality has both an “objective and a subjective dimension”. Objective refers to attributes that are within the food product and can be measured, confirmed, maintained and imitated, whilst subjective relates to those dimensions that are considered present by the consumer (Rivera, 1995). Grunert (2005, p. 373) elaborates by presenting the “Total Food Quality Model” (see Page 91), which breaks quality down into expectations prior to purchase and after purchase. This is via actual experience and consumption.

Another quality typology is that of Henson’s (2000), who suggests that quality can be broken down into: 1. “product-oriented quality” which are the physical characteristics (such as texture, colour); 2. “process-oriented quality” which is how the product is manufactured (such as organic); and “user-oriented quality” which is how the consumer perceives the product (Parrott *et al.*, 2002, p. 244).

For this project, these existing typologies of food quality are not adequate to direct and assist the analysis. As Meiselman (2001, p. 76) concludes: “With very few exceptions, food quality is complex and relative. Simple views of quality might be usable in very limited (unrealistic) situations, but are of limited value in general” and “context must be considered.”



Taken from Grunert (2005, p.373)

As such, I developed a number of characteristics of quality as a contribution to the thesis. These characteristics of quality were developed after reviewing the literature, making observations and, most importantly, from the interviews. They have considered the contextual environment. The developed characteristics of food quality are grounded in empirical data. These components are purely heuristic in that they are simply tools used to enable a logical progression and argument, and include all the relevant (to this study) characteristics of quality. They are not mutually exclusive or representative of all food types; they were developed for this study and simply provide a way of setting out and presenting an examination. As such, the five characteristics of quality that I developed from the above mentioned sources include: technical; place-based; environmental; socio-cultural; and production-related.

The *technical* component of quality includes such criteria as texture, flavour, aroma and appearance. These are physical qualities that the food item possesses. The second characteristic of food quality includes *place-based* characteristics. This refers to:

the place of origin of a product and its raw materials, invoking the power associated with the meanings people attach to those places (Gieryn, 2000). These meanings are created both by local people in their building a 'sense of place', as well as by non-local people, such as consumers, who may have romanticised views about a place and products that come from there. The stories that are told about a place are important in constructing these images of place. Where communities actively construct positive identities, take pride in these identities and representations, and feel a sense of belonging and ownership, and propagate this identity, place becomes a powerful signifier, especially when non-locals accept those stories and images. Tasmania is such a place that inspires interest (Gralton and Vanclay, 2005, p. 3).

The third component of quality developed relates to the *environmental* characteristics or ecologically-related activities. This component refers to such characteristics as biodiversity preservation, minimal use of chemicals on raw agriculture produce, food transport miles and healthy. The preservation or protection of biodiversity sits in opposition to monoculture that is associated with the agro-industrial model of development and creates:

environmental simplification and genetic erosion. History has repeatedly shown that uniformity characterising agricultural areas sown to a smaller number of varieties is a source of increased risk for farmers, as the genetically homogenous fields may be more vulnerable to disease and pest attack (Altieri, 1996, website).

Due to Tasmania's cool, temperate climate and its relative isolation, the state experiences less pests and diseases than in other Australian states. Moreover, because most farms do not use intensive farming methods, there are possibly lower levels of chemical inputs. Low food miles are increasingly seen as an important environmental aspect of quality food. Amongst the concerns associated with high food miles is the energy use involved in transportation, which has negative ecological impacts. For the small-scale food processor, the low food miles involved in the food chain are an opportunity for value-adding and reducing negative environmental impacts. New trends in reducing food miles are evidenced in the signalling of food miles on restaurant menus and product logos. In direct selling, food miles are inconsequential; however, for consumers that do not possess knowledge or direct experience, food miles are a valuable way to signify environmental characteristics. Healthy is another prominent meaning of food quality in today's marketplace. Foods are viewed of quality if they possess specific vitamins and minerals, are not grown with chemicals, and are created with minimal processing. In this respect, healthiness is associated with the other characteristics discussed so far (organic, low food miles).

Socio-cultural characteristics are the fourth component of quality developed. This component incorporates the notion of ethical food consumption, the socio-cultural characteristics of food producers/processors and the type of social relationships that exist between producers and consumers. Examples of the increased recognition of these characteristics are the creation of formal labels that recognise social issues, such as fair trade and corporate social responsibility. Social justice considerations, particularly child labour and work and pay conditions, are of increasing importance to a certain segment of consumers. Social justice is now a significant factor in the ethical consumption of products, from investing in shares to the purchasing of shoes.

Local ownership, a defining characteristic of a cottage industry, is also a socio-cultural characteristic of quality for the purposes of this research. Local ownership, like the link to locality/place, can promote trust and consumers may purchase the product based upon this characteristic. Employing local labour is a component that can potentially signal quality meanings. Another socio-cultural characteristic is that of the preservation of food culture, which relates not only to the cultural traditions surrounding food but also to production methods that are unique to specific districts and to the raw agricultural product that require a particular method of processing. The use of traditional techniques and local knowledge is related, in part, to the preservation of culture. Intimate knowledge of the land and product is located in opposition to the production, processing and distribution that occur in the agro-industrial model. The notion of the face-to-face relationship or the closing of the 'intellectual' gap between producer and consumer is a central idea running in this thesis and is considered another component of the socio-cultural characteristic of quality.

The final component of quality developed is that of *production-related*. This component refers to the traits related to the production/processing of the food product. The human input component refers to the notion that a quality product is not simply made from quality raw produce or grown in particular soil/weather conditions, but is also a product of the knowledge and skill of the processor. Care is an additional characteristic associated with the processing of cottage industry products and is linked to the human input rather than a machine component. Producing or processing limited quantities is also another production-related characteristic that can signal quality food meanings. This characteristic is perhaps one of the most significant value-adding potentialities that exists for the artisanal food industry and contrasts significantly with mass production and economies of size operations. Animal welfare is a potential

meaning of quality due to increasing concerns over the inhumane treatment of animals predominantly associated with intensive livestock farming. The final production-related characteristic is that of food safety. Thus, the five characteristics of quality developed include:

(1) Technical – these characteristics of quality include texture, flavour, and appearance;

(2) Place-based – place-based characteristics of quality refer to the place of origin of a product and its raw materials, invoking the power associated with the meanings people attach to those places (Gieryn, 2000);

(3) Environmental – these characteristics of quality refer to ecological-related activities such as: biodiversity preservation, minimal use of chemicals on raw agricultural produce, food transport miles and healthy;

(4) Socio-cultural characteristics – these characteristics refer to: social justice, local ownership, local employees, distribution channels, preservation of food culture, use of traditional techniques and knowledge, intimate knowledge of the land and product, face-to-face relationships with customers, transparency of producer's/processor's values and philosophies, trust between producer and consumer;

(5) Production-related – these characteristics relate to the production/processing of the product: human input, minimal processing, care, time taken, limited production, limited scientific techniques, differentiation, quality raw agricultural produce, responsibility for entire food chain, industry-related food safety plan (HACCP), animal welfare, local resources utilised.

Following this exploration of the potential meanings of food quality (i.e. as they stand in 2006) and the development of the five characteristics, the research question arrived at is *what contestations exist over the meanings of quality and how has it been reproduced over space and time?* In examining struggles over food quality meanings, it is firstly necessary to present the relationship between language surrounding quality and power. This is achieved through the notion of discourse and discursive dominance.

The Quality Food Discourse and Discursive Dominance

Castells (1997, p. 7) states that “the social construction of identity always takes place in a context marked by power relations.” Similarly, it is proposed that the construction of quality food is negotiated between actors who possess differing levels of resources, interests and ideologies. The food quality discourse is an arena in which actors compete for their meanings to become the preferred meanings of food quality. Discourse refers to any semiotic activity (e.g. spoken/written language, visual images and non-verbal communication) that presents a “representat[ion] of [a] given social practice from a particular point of view” (Fairclough, 2000, p. 310). Discourse relates to knowledge construction and is both shaped by society and shapes society (Fairclough, 2000, p. 310). Thus, food quality is a discourse that is differentially constructed according to the actor’s interests, ideologies and knowledge. As a result, there is much contestation over meanings in the food quality discourse.

A discourse is not a level playing field where meanings are equally weighted; rather, those that possess the most material resources are the ones that can afford to promote a higher concentration of symbolic resources. That is, larger agrifood industries (such as the multinational retailers) possess significant levels of material and symbolic resources to promote food safety as the preferred meaning of food quality. In this manner, the small-scale industries that promote alternative meanings of food quality and possess fewer material resources are disadvantaged within the food quality discourse. The smaller industries are required to find ways to connect with consumers who value these alternative meanings of food quality. This phenomenon is succinctly expressed by Berger and Luckmann’s (1967, p. 108-109) reference to definitions of reality:

specifically, the success of particular conceptual machineries is related to the power possessed by those who operate them. The confrontation of alternative symbolic universes implies a problem of power – which of the conflicting definitions of reality will be ‘made to stick’ in the society. Two societies confronting each other with conflicting universes will both develop conceptual machineries designed to maintain their respective universes. From the point of intrinsic plausibility the two forms of conceptualisation may seem to the outside observer to offer little choice. Which of the two will win, however, will depend more on the power than on the theoretical ingenuity of the respective legitimators ... The historical outcome of each clash of gods was determined by those who wielded the better weapons rather than those who had the better arguments ... He who has the bigger stick has the better chance of imposing his definitions of reality.

The major irony associated with the push towards food safety as the dominant food quality meaning is that concern over safety has largely resulted from the social and

environmental ills associated with intensive agrifood production, processing and distribution. As Marsden et al. (2001, p. 78) suggests, the “growth of a profound regulatory burden as a response to the crisis in the industrial mode of agro-food” has only served “to strengthen the economic and political power of agro-industrial interests.” The result is, arguably, an arena of distorted communication where actors with alternative meanings and fewer resources are marginalised. This distortion is further promoted by government. Essentially, government legislation and research and development dollars into food safety has legitimated the push towards the dominant food quality meaning favouring those industries that are located within the industrial system.

A democratising of the food quality arena is required. It is not suggested that by simply making the process more democratic (i.e. levelling the inequalities) the better argument will win (i.e. food quality meanings that are associated with agrifood production, processing and distribution that is less socially and environmentally destructive) as offered in Habermas’ notion of ‘communicative rationality’ (Habermas, 1984). Rather, it is suggested that the Habermasian concept of ‘communicative rationality’ is useful because it “involves respect for the reflectively-held positions of others, and is defensible to the extent that it is taken as a procedural standard ... and does not dictate any substantive way of life” (Dryzek, 1992, p. 30-31). The goal is to at least create an arena in which alternative meanings (to the industrial system) have access to the food quality discourse and, essentially, are not marginalised. In this manner, alignment with Habermas’ ‘ideal speech situation’ occurs, where the notion of a “committed participant” is akin to the food consumer, and where:

Every committed participant has the ability to distinguish between a genuine and a manipulative agreement, where the genuine agreement is only based on the ‘force of the better argument’. In such a transparent situation there is communicative equality in beginning and continuing a discussion, and equal opportunities to present arguments and choose between them. This means that all suggestions must be considered by the committed participants. The exclusion of any assertions is not permitted and all assertions must be able to be criticised (Skollerhorn, 1998, p. 558).

In this respect, the question is, what means does the artisanal food industry in Tasmanian agriculture have available to/or could make available to them to promote alternative meanings of food quality and encourage a more democratic food quality discourse?

The final section in this review surrounding quality is to examine the Conventions Theory approach to defining quality. This extends the notion that as a social construct, food quality is a negotiated process between actors in the food chain rather than simply an attribute of the food item. This approach is particularly relevant for two reasons: (1) it is recognised that the economic is embedded within a socio-cultural context which needs to be incorporated into the analysis of a food product; and (2) that these types of enterprises offer positive benefits, which cannot be incorporated into, or are simply omitted from, the neo-classical economic model of accounting.

Quality, Actor Co-ordination and the Conventions Theory Approach

The conventions theory approach advocates that quality attributes are constructed through coordination between actors rather than as intrinsic characteristics of the product. Marescotti (2000, p.4) suggests that in the conventions theory approach, “rather than defining the quality of the exchanged good, it refers to the rules of the game and the role of the actor within the exchange.” These conventions can be employed simultaneously when actors are defining and negotiating quality. As Wilkinson (1997, p. 318) suggests, in conventions theory:

rules are not prior to action nor are they elaborated from outside the action but emerge within the process of actor co-ordination. More specifically they represent a response to problems arising within such co-ordination and should be understood as mechanisms of clarification which are themselves also open to future challenge. They are therefore dynamic representations of negotiation and as such depend on the existence of prior commonalities among the actors involved. Such ‘common knowledge’ or ‘intersubjective identification of the rules’ does not exist in the abstract nor can it be known by an exercise of pure rationality. Rather it has to be recursively interpreted in given situations through the way in which actors relate to a common set of objects which are mobilised through their actions. The qualification of objects therefore is simultaneously the qualification of the actors involved.

This perspective once again embeds the analysis and does not situate the object within a non-contextual, apolitical backdrop. In so doing, positive externalities (such as social and ecological sustainable qualities) can be included in the defining and valuing of quality. This contrasts to the exclusion of negative externalities (such as social and ecological degradation) which often occurs in neo-classical economic theory. In effect, consumers are paying producers/processors for positive externalities rather than purchasing and rewarding products which do not account for social and environmental destruction. Where negative externalities are not included in the final product price,

food consumers are not paying the real price for a product. This omitting of negative externalities is most often associated with the industrial agrifood model.

The conventions employed in this theoretical approach are based on Boltanski and Thévenot's (1999, p. 369) six "common worlds", which "describe justifications performed in the majority of ordinary situations". These worlds include:

- (1) The Market World – "the market link coordinates individuals through the mediation of scarce goods, the acquisition of which is pursued by everyone";
- (2) The Domestic World – "people's worth depends on a hierarchy of trust based on a chain of personal dependencies. The political link between beings is seen as a generalisation of kinship and is based on face-to-face relationships and on the respect for tradition. The person, cannot, in this world, be separated from his/her belonging to a body, a family, a lineage, an estate";
- (3) The Civic World – "In the civic world, a sovereign is formed by the convergence of human wills, as citizens give up their particular interests and direct themselves exclusively towards the common good ... The peculiarity of the civic world is to lay stress on beings who are not individual beings but collective ones. Individual human beings can be seen as relevant and worthy only as they belong to a group or as they are the representatives of a collective person";
- (4) The Industrial World – "In this world, worth is based on efficiency. It can be measured on a scale of professional capabilities. Connected to the production of material goods, industrial worth is upheld by way of organisational devices directed towards future planning and investment. To describe the objects of the industrial world we used a productivity guide ... In an industrial world the great persons are the experts ... They implement tools, methods, criteria, plans, figures, graphs, etc";
- (5) The World of Renown – "worth is nothing but the result of other people's opinion in the world of renown. The measurement of people's worth depends on conventional signs of public esteem"; and,
- (6) The World of Inspiration – "this worth rests upon the attainment of a state of grace and is, therefore, completely independent of recognition by others. It arises, particularly, in the personal body when prepared by asceticism, and especially through emotions. Its expressions are diverse and many-sided: holiness, creativity, artistic sensibility, imagination, etc. Reference to this world is made, nonetheless, each time people attain worth without bothering about opinions of others. It is, for example, the case of artists ... one can show that, in the world of inspiration, the relevant beings are, for example, spirits, crazy people, artists, children. These beings are worthy and great when they are odd, wonderful, emotional. Their typical way of acting is to dream, to imagine, to rebel, or to have living experience" (Boltanski and Thévenot, 1999, p. 369-373).

Throughout the literature, it is predominantly five of Boltanski and Thévenot's (1999) orders of worth that are used in analysing quality. The world of inspiration is often

omitted from these analyses. The five conventions commonly cited (which are drawn upon the orders of worth) are:

- (1) The Market Convention – also known as commercial coordination and where quality definition is based upon “market relations and price”;
- (2) The Domestic Convention – “based on a face to face relationship, on personal trust established in previous transactions”;
- (3) The Civic Convention – where actors ascribe to the same “nucleus of collective principles” and “renounce their own individuality ... in order to concentrate on the common good and/or aim”;
- (4) The Industrial Convention – “exchanges are based on the respect of standards” and quality is ascribed if the “good/service comply with a set of standardised rules”;
- (5) The Opinion Convention – in contrast to the domestic convention, quality “is not greatly based on a direct experience” and is assigned based on the reputation/opinion of others (Marescotti, 2000, p. 4-5).

An additional convention that Murdoch et al. (2000, p. 115) have called for is that of the ecological convention. Thus, Murdoch et al. (2000) refers to six conventions: (1) commercial (market); (2) domestic; (3) civic; (4) industrial; (5) public (opinion); and (6) ecological. This additional convention embeds quality in the surrounding environment and further recognises and values positive externalities relating to the environment. This research will incorporate Boltanski and Thevenot’s (1999) additional world of inspiration, which so aptly applies to the artisanal food industry in Tasmanian agriculture, and Murdoch et al.’s (2000) ecological convention in the analysis of food quality. Consequently, seven conventions will be employed in the analysis: (1) commercial (market); (2) domestic; (3) civic; (4) industrial; (5) public; (6) ecological; and (7) inspirational (sometimes referred to as innovation in the literature).

In reviewing the literature surrounding food quality, the socially constructed and contested nature of this identity has been demonstrated. From the review, five heuristic characteristics of food quality were developed. It was also proposed that in relation to the conventions theory approach, seven conventions are appropriate in examining food quality as it relates to the artisanal food industry in Tasmanian agriculture. As a result of the review, Research Sub-Question 1.2 was arrived at: *What contestations exist over the meanings of quality and how has it been reproduced over space and time?*

Moreover, as part of the overarching research problem (i.e. enterprise expansion and identity preservation), Research Sub-Question 1.3 arose: *How have the expanded enterprises managed to expand without losing quality meanings?*

The production of quality food offers significant opportunities for agrifood development. For the artisanal food industry in Tasmanian agriculture, there are many

meanings and characteristics which can be drawn upon when consumers are negotiating the construction of quality. The valuing of positive externalities (i.e. potential meanings of food quality) associated with artisanal food production offers opportunities to promote a more sustainable form of agrifood development. Identity preservation upon expansion is also another means for developing this industry. The following section offers an examination of various development models and in so doing, a contextual backdrop is also presented.

Agrifood Development: ‘The Crisis’ and Resistances/Challenges/Alternatives

This following review presents literature surrounding agrifood development. Scoping Study Finding 6, 7 and 8 feed into this review and both support and direct the literature (see Table 3.5).

TABLE 3.4: SCOPING STUDY FINDING 6, 7 AND 8, THE LITERATURE REVIEWED AND THE RESEARCH QUESTION DEVELOPED

<p>Scoping Study Finding 6</p> <p>Scoping Study Finding 7</p> <p>Scoping Study Finding 8</p>	<p>The vignettes and other businesses within the industry produce <i>smaller/lower quantities of product</i>. The bulk of the business activities of these enterprises are <i>geographically concentrated</i> within the sub-regional area.</p> <ul style="list-style-type: none"> • The enterprises often perform <i>other types of business activities</i>; • A portion of enterprises <i>produce all/part of the raw agricultural produce</i> versus purchasing the raw product; • Many of the businesses are on a Tasmanian tourist trail and sell <i>farm gate/cellar door</i> (i.e. direct marketing/short food miles). <p>Due to a significant growth in certain sub-sectors, there are issues related to <i>increased competition</i> within the local market (i.e. local product saturation).</p>
Literature Reviewed	Economies of size versus other business types – economies of scope; Food supply chains (conventional versus ‘short food supply chain’); Concerns associated with agri-food development; Agrifood Development Models – exogenous versus endogenous agri-food development; neo-endogenous development; Agroecology;
Sub-Question Developed	1.5 What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?

In positioning the artisanal food industry in a development context, it is firstly necessary to examine the paradigm which has had the most significant impact on today’s agrifood market: that is, the modernisation paradigm and industrial agrifood production, processing and distribution.

The Modernisation Paradigm and Agrifood Development

Modernisation theory is a “model of economic and social development that explains global inequality in terms of differing levels of technological development among societies” and “identifies tradition as the greatest barrier to economic development” (Macionis and Plummer, 1997, p.306-308). Under the modernisation paradigm, richer or more developed areas are charged with the role of lessening this inequality and eventually the poorer region’s “economy and social patterns acquire the accoutrements of ‘modernity’” (Long, 2001, p. 10). Modernisation theory encourages development via “the transfer of technology, knowledge, resources and organisational forms from the more ‘developed’ world or sector of a country to the less ‘developed’ parts” (Long, 2001, p. 10). One of the ways modernisation is achieved is by:

increasing food production – modernisation theory asserts that ‘high-tech’ farming methods, exported from rich to poor nations, raise agricultural yields. Such techniques, collectively referred to as the Green revolution, involve the use of new hybrid seeds, modern irrigation methods, chemical fertilisers and pesticides (Macionis and Plummer, 1997, p. 309).

Under this paradigm, agrifood development is “a process of adapting farming practices to global markets and technology” (van der Ploeg, 1999, p. 25). The development model located within this paradigm is largely associated with economies of scale, conventional food supply chains and is exogenous in nature. The exogenous development model refers to the employment of a significant level of external (to the region) resources, such as labour, raw agricultural product and knowledge. Often, the profits produced are distributed external to the region in which the business operates. This model of development is not as conducive to social and environmental sustainability as its counterpart, endogenous development.

Another phenomenon that has impacted upon agrifood development is the reduction in power of the nation state. Historically, the state was at the core of agrifood development, but now there is “globally organised economic growth” (McMichael, 1996, p. 2). As a result, regions and businesses have become increasingly important players in the global economic system. Beer (2002) suggests that in this current arrangement, how a region is positioned in the international arena is more important than its location in the national arena. As McKinsey and Company (1994, p. 18) suggests:

regions have been often regarded as the poor relation in the mainstream economic debate. This does not do justice to their pivotal role in growing the economy. In today’s world we find that it is increasingly regions that

compete – not countries; that regions have a key role to play as agents of change; and that regional issues mirror national challenges ... we are witnessing an historic shift in our global economic landscape ... In this new world, businesses compete with other businesses around the globe. Likewise, regions compete with other regions from around the world to provide the best environments for their existing businesses to grow and attract relocating businesses.

Economic globalisation is also associated with a “technological division of labour within industrial sub-sectors rather than a social division between economic sectors” (McMichael, 1996, p. 90-91). That is, at one time countries focused specifically upon an export sector, such as agriculture; however, now countries specialise in one node of the supply chain of a commodity (McMichael, 1996, p. 90-91). This has created food supply chains that are spatially dispersed, with nodes spanning across different countries. This has decreased transparency in the food system and is more conducive to social and environmental degradation.

The previous section demonstrates that the artisanal food industry does not align with agrifood development under this paradigm. The social inequalities that legitimated thinking under the modernisation paradigm were not eradicated and, if anything, were increased. Furthermore, the environmental degradation that has resulted from intensive agrifood production, processing and distribution has seen a crisis ensue. The following section reviews this ‘crisis’.

‘The Crisis’: The Industrial Agrifood Model

*The negative aspects of the modernisation process can no longer be obscured
(Van der Ploeg, 1999, p.24).*

It cannot be denied that there have been positive impacts that have resulted from actions under the modernisation paradigm. For a variety of reasons, some territories reaped the benefits, whilst others suffered. This is supported by Vanclay (2003, p. 81), who maintains that “while globalisation may bring many benefits, it also has adverse impacts.” Apart from the inability to remedy social inequalities, agrifood development under the modernisation paradigm has been associated with a whole range of problems and concerns, such as environmental degradation through the intensive use of pesticides and fertilizers, the use of biotechnology (such as genetically modified organisms), food scares (such as mad cow disease) and the loss of local and/or traditional knowledge and heritage. The negative impacts associated with industrial agriculture and economic globalisation have been social (e.g. ‘dynamics of decline’) and environmental

degradation (Vanclay and Lawrence, 1993, 1995; Vanclay, 2003). Marsden et al. (2001, p. 75) refers to this as the “deep crisis of the food and agricultural sector, associated with growing health risks, environmental loss, overproduction of low-quality products and the decline in number of producers and farm workers.” Australia has not evaded these harms. As Lawrence and Vanclay (1996, p. 36) suggest:

At the same time as Australia has experienced crises in agriculture and wider rural society, it has also experienced a growing environmental crisis. This has been related, in particular, to the practices which Australian farmers have adopted as a means of remaining viable. The extent and scale of these environmental problems – particularly those associated with land degradation – are unprecedented.

In this respect, “modernisation is becoming reflexive; it is becoming its own theme” (Beck, 1992, p. 21). That is, society is increasingly being organised around the social and environmental degradation (i.e. the risks associated with this paradigm) that has resulted under the modernisation paradigm. Society is organised around the “‘management’ of the risks of actually or potentially utilised technologies – discovering, administering, acknowledging, avoiding, or concealing such hazards” (Beck, 1992, p. 21). This is evidenced in the turn to food safety examined above, which has responded to food scares resulting from practices mainly associated with the industrial food system. This aligns with Giddens’s (1991) notion of a risk society, where society is not seen as more risky because in fact for those in developed areas it is not; rather, society is increasingly being organised around this risk.

In reaction to this crisis, there have been alternatives, resistance, and outright challenges to processes under the modernisation paradigm and intensive agrifood production, processing and distribution. There are two important considerations when reading through the following literature: (1) even though the modernisation paradigm was/is the dominant paradigm in guiding agrifood development, alternative models and actions have been occurring simultaneously; and (2) some of the alternatives have shown/are showing more promise than others in combating social and environmental degradation associated with industrial agrifood production, processing and distribution. The following will examine these resistances, challenges and/or alternatives.

Resistance, Challenges and/or Alternatives

It has been already been stated that under the modernisation paradigm development is mostly aligned with the exogenous model. An alternative model of development is that

of endogenous development, where local resources and local decision-making are heavily relied upon.

Endogenous Development

Endogenous regional development (ERD) involves the use of:

though not exclusively ... locally available resources, such as the potentialities of the local ecology, labour force, knowledge and local patterns for linking production to consumption (van der Ploeg and Long, 1994, p.1).

Endogenous development is primarily shaped by the local population, as opposed to external actors directing inappropriate development (van der Ploeg, 1999). In endogenous development, profits are redistributed locally rather than external to the region and inputs (e.g. local environment and local knowledge) that were are not as valued or marginalised in exogenous development are revalued (van der Ploeg, 1999). For these reasons, the endogenous development model is more conducive to social, environmental and economic sustainability than the exogenous model.

However, in the literature, a number of authors have expressed reservation over the exogenous/endogenous development dualism, suggesting that it presents a false dichotomy (see Kneafsey et al., 2001). In response to these claims surrounding endogenous development, some authors suggest that, the two models (endogenous versus exogenous) are not meant to be a rigidly defined dichotomy, but offer a way of looking at the development of an industry in a manner that is sensitive to matters of sustainability. The endogenous model does recognise external inputs and outputs. As Cristovao, Oostindie and Pereira (1994, p.52) suggest, endogenous development:

may be defined as a preponderance of internal and external elements to be integrated, so as to enhance, consolidate or strengthen the set of internal elements. In exogenous development patterns it is the other way around.

Exogenous development therefore refers to development that is mostly based on: external resources, such as ecology, labour and/or knowledge; is driven by actors external to the region; ownership is non-local; and, profits are redistributed outside of the region in which the activities are undertaken.

As has been stated, factors that were not previously valued in the exogenous model are valued in the endogenous model. This is evidenced in the 'cultural approach to endogenous regional development' (i.e. neo-endogenous development), a development model which incorporates ERD principles while recognising and valuing cultural identity, as the following explains.

Cultural Approach to Endogenous Regional Development

Ray's (1998) notion of neo-endogenous development or the 'cultural approach to ERD' refers to development that is based upon the principles of ERD and the ability to "(re) valorise place through its cultural identity" (Ray, 1998, p.3). Central to Ray's (2003) cultural approach to ERD is Bourdieu's conceptualisation of 'cultural capital'. Ray (2003, p. 5) suggests that 'cultural capital' is an "array of features that makes one territory different from another" and "can manifest itself in many forms including gastronomy." In relation to this study, it is proposed that artisanality is one such 'manifestation' of Ray's notion of cultural capital. Artisanality can be an expression of the principals' values and beliefs (i.e. culture) and, for these processors, is the interface between the socio-cultural, the ecological and the economic. That is, artisanality is the interface at which the principals' values and beliefs; the local ecology/raw agricultural produce; and the value adding potentialities converge. The outcome is a product that is unique and unable to replicated, thereby creating competitive advantage.

The recognising of culture in ERD is a more inclusive model of development. That is, in relation to the artisanal food industry, the model allows for even the smallest of food processors (with the least resources) to be included in agrifood development (Ray, 2003). Thus, the 'neo-endogenous cultural approach to development' is a model of development that can be more inclusive and, because it is founded on the principles of ERD, is more conducive to social and environmental sustainability. In turn, it is more favourable to economic sustainability.

Another form of development that is a form of endogenous development and is an alternative to development under the exogenous model is that of agroecology. The following explores the agroecological development model.

Agro-ecological Development Model

Agro-ecology (Sevilla Guzmán and Woodgate, 1999; Altieri, 1987) is a "social and political movement" which aims to achieve sustainability in agriculture by using "environmentally and socially sensitive approaches" (Banks and Marsden, 2001, p.114). The philosophy promotes: the regaining of local autonomy; the use of local resources (e.g. labour, knowledge); the valuing of heterogeneity (scale and farming methods); and, calls "to establish or assert new norms of production and consumption practices" (Banks and Marsden, 2001, p.115). The core features of the agroecological

development model include: (1) the crisis of modernity; (2) co-evolution; (3) local farmers' knowledge; (4) endogenous potential; (5) collective forms of socialisation; (6) systemic strategies; (7) ecological and cultural diversity; and (8) sustainable societies (Sevilla Guzmán and Woodgate, 1999).

Sevilla Guzmán and Woodgate's (1999) 'crisis of modernity' refers to the social and environmental ills associated with the industrial agrifood system and the alternative definition of sustainability that is espoused within the agroecological model (Marsden, 2003). 'Co-evolution' denotes the nature-society association and inseparability (Marsden et al., 2001), whereas the use of 'local farmers' knowledge systems' "allow for and promote both ecological and cultural diversity" and contrasts with the destruction of diversity within the industrial model (Marsden, 2003, p. 230).

'Endogenous potential' not only refers to local knowledge potential, but also to the ability of local groups/social networks to promote alternatives to arrangements in the industrial agrifood system (Marsden et al., 2001). 'Systemic strategies' relates to the notion that in development, all factors are interlinked and should not be thought of independently, whilst 'sustainable societies' suggests that agriculture forms the basis for a sustainable society rather than viewing it as separate to society (Marsden, 2003).

Sevilla Guzmán and Woodgate's (1999) final agroecological characteristic is that of 'collective forms of social action' (Marsden et al., 2001). This characteristic refers to "new forms of associationalism" that challenge the industrial agrifood model (Marsden et al., 2001, p.80; Marsden, 2003, p.172). The scoping study revealed that the processor and consumer have an intimate relationship via face-to-face sales (i.e. finding 7). This contrasts to the anonymity that is often present in the industrial food system, where consumers are unaware of who produced the product, its origin and how it was processed. This results in artisanal products being heavily laden with meanings when they reach the consumer. This phenomenon has been termed a 'short food supply chain' (SFSC) and is a collective form of social action that can challenge the industrial food model.

'The Short Food Supply Chain'

'Collective forms of social action' can seek to challenge the dominance and unsustainable practice that is often associated with the conventional food system. This characteristic is much more than a method of selling; rather, it can involve producer and consumer forming a relationship based upon the sharing of values, beliefs and information about the product. This type of relationship between producer and

consumer is often absent in the industrial agrifood system. In direct selling, not only can the distance between producer and consumer be reduced, but also the intellectual gap is decreased, with consumers having significant knowledge surrounding the product. The SFSC does not entirely relate to distance, but rather the preservation and sharing of knowledge surrounding the product. As such, three types of SFSCs have been mentioned in the literature: face-to-face; spatial proximity (i.e. regional); and spatially extended (i.e. outside of the region) (Marsden et al., 2000a). As Van der Ploeg et al. (2000, p.399) suggests, these alternative food supply chains:

embody a fundamental shift away from the anonymous producer-consumer relations that characterised the 'industrial model' of food production in the modernisation epoch. There appears to be a general trend towards 'short-circuiting' long, complex and rationally organised industrial chains by constructing transparent chains in which the product reaches the consumer with a significant degree of value-laden information about its provenance.

In a conventional food supply chain, the commodity is often distributed to consumers who have no knowledge of where the product came from, who produced it, and under what conditions it was produced. The characteristics of a conventional food supply chain can include: spatially dispersed sourcing of produce (i.e. not place-based); mass production; spatially dispersed distribution; and, non-local ownership. As McMichael (1996, p. 90-91) suggests:

Instead of countries specialising in an export sector (manufacturing or agriculture) production sites in countries specialise in a constituent part of a production process spread across several countries ... some exported manufactured goods to the First world or to sites in a commodity chain en route to the world market.

The SFSC can also be viewed as a development tool. The unique relationship that is formed between producer and consumer produces a transparency, which itself generates a concentration of meanings and characteristics that are attached to and embodied within the product. This offers significant value-adding potentialities. Furthermore, if the closing of the gap is in terms of distance, distribution costs are considerably reduced. Marsden et al. (2000a, p. 427-429) suggest that there are six common dimensions of a short food chain, which include:

- (1) Removal or part removal from the conventional food supply chain (CFSC) context (i.e. chains associated with bulk food and complex food chains);
- (2) "New relationships of association and institutionalisation" (situated at regional scale rather than national);

- (3) Actors “have different relationships with the state” (i.e. the development of new products without the assistance of the state or are challenging the unfavourable outcomes of state policy);
- (4) Development of innovations, which “combine or reconfigure the natural, quality, region and value constructions associated with food production and supply”;
- (5) “value-added gains in terms of farm-level income impacts over and above those which would have been possible through the commodity-oriented mainstream ‘industrial’ channel”; and,
- (6) Significant diversity in the “types of associational and face-to-face interactions”.

These turns, alternatives and resistances have indicated to some authors that there has been a development paradigm shift in the agrifood system. Marsden et al. (2001, p. 75) suggest that “there is strong evidence that a new, broader rural development paradigm is beginning to take hold in different parts of Europe.” This has been referred to as the rural development model. The following will explore this model and its alignment with principles of endogenous development will become evident.

Rural Development Paradigm

According to van der Ploeg et al. (2000, p. 391), “the modernisation paradigm that once dominated policy, practice and theory is being replaced by a new rural development paradigm.” The rural development model involves the:

construction of new networks, the revalorisation and recombination of resources, the co-ordination and (re-) moulding of the social and material, and the (renewed) use of social, cultural and ecological capital (van der Ploeg et al., 2000, p. 400).

There has been a revaluing of factors and characteristics that are marginalised in the industrial model. In research conducted by van der Ploeg and Renting (2000), a number of rural development activities have been referred to. These activities differ to those seen in the industrial agrifood model and include:

agri-tourism, free access arrangements, new on-farm activities, organic farming, high quality production, region specific products, diversification, short supply chains, nature and landscape management, new forms of co-operative management, cost reduction and pluriactivity (van der Ploeg and Renting, 2000, p. 540).

In addition to the parallels between these rural development activities and activities revealed in the scoping study (such as agri-tourism, high quality production, region

specific products and short food supply chains), alternative business structures (i.e. as opposed to economies of size and monoculture) have been evidenced. That is, the enterprises do produce smaller/lower quantities of product (i.e. Scoping Study Finding 6). Two agrifood activities that contrast with economies of scale and monoculture seen under the industrial agrifood model are that of economies of scope and diversification. Economies of scope are present:

when it is cheaper to produce two products together (joint production) than to produce them separately... While many factors such as technology may explain economies of scope, of particular importance is the presence of common input(s) and/or complementarities in production. Firms may often endeavour to exploit economies of scope in order to produce and offer multiple products at lower costs (Khemani and Shapiro, 1993, p. 40-41).

Another type of business structure that opposes the economies of size model and sits within an alternative development framework to the modernisation paradigm is that of diversification. One finding from the scoping study – the enterprises often perform other types of business activities – directs this review. Diversification refers to:

a way of branching out from traditional farming activities and taking on a new income-generating enterprise. The types of enterprise can vary widely and new businesses have been started in tourism and leisure related activities, in specialist crops or livestock, in the services or manufacturing sectors as well as in value-adding ventures. Farmers, members of the farm family or employed labour or managers can all be involved in diversification projects (DARDNI, 2005, website).

In conclusion, Marsden (2003) refers to three modes of development: the agro-industrial model; the post-productivist mode; and the rural development model. In this chapter, the agro-industrial model has already been examined and is aligned with the exogenous form of development, while the rural development model aligns with the endogenous development model. According to Marsden (2003), the post-productivist paradigm does not hold much promise for remedying the ills associated with the industrial agrifood model. It is proposed that rather than attempting to modify the underlying problems of the industrial agrifood system thus far reviewed, the post-productivist model is in effect offering a band-aid solution rather than getting to the source of these problems. That is, the post-productivist model:

does not address the question of a different sustainable development pathway for agriculture. Rather it suggests consumer-led ways around its pathological features. By the end of the 1990s these features were becoming more evident in both research and policy terms. There was a growing realisation that post-productionism by itself was not the saviour for

agriculture, or more particularly for a more sustainable food supply and consumption (Marsden, 2003, p.160).

This section reviewed agrifood development under the modernisation paradigm, the crisis that has resulted from this type of development, and the alternatives/resistance/challenges that are currently occurring around the world. Different models of agrifood development are simultaneously occurring; however, it is proposed that there is a paradigm shift towards development models that are positioned within the endogenous framework. Consequently, Research Sub-Question 1.5 arises from this review: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?*

As a result of the review, the following research questions were developed.

The Developed Research Questions

The overarching research question and sub-questions that were developed during the literature review included:

Overarching Research Question

How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?

Research Sub-Question 1.1

Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?

Research Sub-Question 1.2

What contestations exist over the meanings of quality and how has it been reproduced over space and time?

Research Sub-Question 1.3

How have the expanded enterprises managed to expand without losing quality meanings?

Research Sub-Question 1.4

How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?

Research Sub-Question 1.5

What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?

Chapter 4

The Methodology

Introduction

This chapter presents the methodology for the project's second data collection phase. In this chapter, *how* each of the research questions (developed in the literature review) are to be investigated will be outlined. Thus, this chapter will: examine how each of the research questions will be investigated; outline the overall research design; describe data collection and analysis techniques; and, offer a critical examination of the limitations to the methodology.

The Research Questions

The major research question developed within the literature review was: *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?* (see Table 4.1). In order to examine the pressures that exist for these enterprises to increase in size while maintaining their unique identities, it was necessary to look at both small-scale and expanded enterprises. Thus, six enterprises – three small-scale and three that had expanded past small-scale – were purposively sampled. The criteria that assisted in the selection of these enterprises were developed in the literature review (i.e. the defining characteristics of a cottage industry) and industries were selected from prominent food sectors within Tasmanian agriculture (i.e. the cheese, berry and wine sectors). Case study research, involving document research, on-site visits and in-depth semi-structured interviews, enabled an in-depth investigation of a number of industries, rather than a superficial examination of the whole industry.

TABLE 4.1: THE OVERARCHING RESEARCH QUESTION AND SUB-QUESTIONS DEVELOPED WITHIN THE LITERATURE REVIEW

Overarching Research Question		
<i>How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?</i>		
Key concepts/ issues	SQ	Sub-Questions
Cottage Industry	1.1	<i>Is the artisanal, cottage food industry (informal) label meaningful as applied to the industry in Tasmanian agriculture?</i>
Quality meanings	1.2	<i>What contestations exist over the meanings of quality and how has it been reproduced over space and time?</i>
	1.3	<i>How have the expanded enterprises managed to expand without losing quality meanings?</i>
Artisanality and Authenticity	1.4	<i>How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?</i>
Agrifood Development	1.5	<i>What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?</i>

A number of sub-questions emerged from the main research question, the scoping study and the literature review. The scoping study revealed that the informal, artisanal, cottage industry identity is a label that is assigned by principals, media and other actors (such as key informants). In certain cases, the informal cottage industry label was falsely attached to expanded enterprises. The phrase that best demonstrates the tendency to attach this label to larger enterprises, and which has been referred to throughout the thesis, is that of the “multinational cottage-type industry”. Thus, the first research sub-question (SQ 1.1) was developed: ***Is the artisanal, cottage food industry (informal) label meaningful as applied to the industry in Tasmanian agriculture?*** In investigating this question, each of the defining characteristics of a cottage industry and components of artisanality were applied to the three small-scale and three expanded case study participants. For this reason, the defining characteristics of a cottage industry, in part, guided the interview schedule.

An additional scoping study finding led to the development of another sub-question (SQ 1.4) surrounding artisanality. It was found that, in specific cases, the expanded cottage industries were informally labelled as artisanal, even after growth (i.e. artisanal identity preservation). Thus, a subordinate research question was: ***How have those cottage food industries that have expanded managed to preserve their authentic, artisanal identity upon expansion?*** In exploring this research question, findings from interviews, document research and on-site visits with the expanded enterprises were analysed; with the components of artisanality being applied to each.

The scoping study also revealed that the food products produced by the industry are viewed as quality food items. As a result, a number of research questions arose from the scoping study findings and the literature review: *What contestations exist over the meanings of quality and how has it been reproduced over space and time?* (SQ 1.2) and *How have the expanded cottage industries managed to expand without losing quality meanings?* (SQ 1.3). In exploring these research questions, both the small-scale and expanded cottage food industries were examined. Although the entire research process was guided by the macro (i.e. global trends and issues in the agrifood industry), it was this question, above all else, that required significant connection between the micro and macro. Global trends within the agrifood industry largely directed the interview schedule surrounding the concept of quality, whilst document research proved to be a most valuable research tool in investigating this question.

The last research sub-question (SQ 1.5) to be explored surrounds the notion of agrifood development. Quality food production (i.e. value adding/artisanality) has become an increasingly important means of developing such an industry, and the scoping study revealed that both government and industry alike are promoting value-adding within Tasmanian agriculture. Furthermore, this research project was specifically interested in the ‘increase in size’ of small-scale units and the paradox of expansion. Thus, the final research sub-question arrived at was: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?* In exploring this question, specific characteristics of development models, as stated in the literature review, were used to guide the interview schedules; while document research (particularly government and industry policies) proved a useful research tool.

Research Design

A focus of this research, as demonstrated in the scoping study and literature review, is the social construction of identity and meaning. In order to understand these constructions, knowledge of the contextual backdrop is important. In realising this, a *case study approach* was incorporated into the research model. Case study research is “an empirical inquiry that investigate[s] a contemporary phenomenon within its real-life context” (Yin, 1994, p.13). This approach offers “a more holistic study of complex social networks and of complexes of social action and social meanings” (Orum et al., 1991, p. 6-7). Case study research is more of a research strategy than a method and usually includes multiple data collection techniques (Robson, 1993).

The case study approach appreciates that the unit of analysis (i.e. the cottage food enterprise and those that have expanded) is embedded, and must be studied, within the “political, social, historical, and especially personal contexts” (Stake, 1995, p. 17). For this reason, the scoping study proved invaluable and provided a contextual understanding in which the enterprises are situated. The case study approach was appropriate because it permitted the examination of a topic in which there were “many more variables of interest than data points” (Yin, 1994, p.13).

The participants chosen for the case studies were purposively selected on a number of criteria: size, food sector, and the ability to provide information rich data. A database of potential participants was identified throughout the entire project via snowball sampling and document research. In-depth semi-structured interviews were conducted with each of the selected case study participants and interviewing was cross-sectional, in that it produced a “snapshot” in time (Neuman, 2000, p.30). Data analysis was undertaken with the assistance of the qualitative software package NVivo.

Data Collection

The triangulation of data sources and methods was undertaken throughout this project. Triangulation enables the researcher to gather data on the same phenomenon using different sources, investigators, theories and methods (Denzin, 1970), and increases the likelihood that data is trustworthy and valid (Glesne, 1999). Data collection sources included key informants, the vignette participants, case study participants, and secondary data from existing documents (e.g. interviews, media reports). These sources encompassed a wide range of interest groups, such as media, government departments, and, most importantly, those in the industry. The various research methods used throughout the study included: in-depth, semi-structured interviews; document research; and observation via participation in markets and on-site visits.

Participant Selection

Participants for the case studies were purposively selected for their information-richness. The case study approach often involves a number of different types of methods that provide “extremely rich, detailed, and in-depth information” (Berg, 2004, p. 251). Consequently, it was felt that six case studies offered a sufficient amount and range of data, especially since three agricultural sectors (i.e. cheese, berry and wine) and three expanded enterprises were to be included in the sample.

The two types of purposive sampling used to select the case studies were intensity sampling and maximum variation sampling (Patton, 2002). Snowball sampling also guided the formulation of a database of potential participants. This was compiled in the first phase of data collection (i.e. the preliminary scoping study), but assisted the selection of the case study participants. Both purposive and snowball sampling are forms of non-probability sampling and are beneficial in situations where time and resources do not permit probability sampling (Sullivan, 1992). Probability sampling is not aligned with the goals of the research (i.e. the need for information rich cases).

To gain a greater understanding (in-depth and holistic) of the phenomenon under investigation, cases from each of the three prominent agricultural sectors in Tasmania were selected using maximum variation sampling. Moreover, because enterprise expansion is the primary focus of the research, one expanded enterprise from each sector was selected. Maximum variation sampling is aimed at “capturing and describing the central themes that cut across a great deal of variation” (Patton, 2002, p.235). The strength of maximum variation sampling lies in the fact that “any common patterns that emerge from great variation are of particular interest and value in capturing the core experiences and central, shared dimensions of a setting or phenomenon (Patton, 2002, p. 235). Additionally, intensity sampling facilitated the selection of “information-rich cases that manifest[ed] the phenomenon of interest intensely (but not extremely)” and provided “excellent or rich examples of the phenomenon of interest, but not highly unusual cases” (Patton, 2002, p.234). The sampling of the case studies provided “balance and variety”, and the notion that the “opportunity to learn is of primary importance” was supported (Stake, 1995, p.7).

Apart from selecting cases based on the depth of information they could provide and the differences that existed, the defining characteristics of a cottage industry (as developed in the literature review) were used as a *guide* in selecting the participants (see Table 4.2 and 4.3). Together with the database of potential participants (developed through document research via the Internet, newspapers, tourist brochures) and snowball sampling (key informants, vignette participants, and word-of-mouth), the case studies were systematically selected. In one particular case study, there were discrepancies between the data gathered pre-interview and what emerged in the interview. However, after consideration, this case remained in the project. In the majority of cases, only one of the principals (each business was operated by a husband and wife team) was present for the entire duration of the interview. This was mostly

aligned with differing roles, whereby one of the principals was more inclined to deal with the public and the other with technical operations, but it also was a result of their owner/operator status and the need to be physically present in the business.

The same procedures in relation to the contacting of, gaining access to, and member-checking, were followed with the case study participants as with the vignette participants (see Chapter 2). Of the six case studies that were interviewed, one required anonymity. During write up, identifying characteristics were replaced in a way that did not unduly influence the findings. Two of the case study participants asked specifically for some of the data to be removed and not to be used within the project.

Research Methods

The research methods involved in the second phase of data collection included: document research; in-depth, semi-structured interviews; and on-site visits. Therefore, both primary and secondary data were utilised. Primary data collection included interviews, field observations, and photos. Secondary data collection involved the use of tourist brochures, Internet articles, and data from participants' personal websites, newspaper articles and photos.

Document research

Document research throughout the entire project offered a form of unobtrusive data collection. This mode of data collection enabled information to be gathered about the participants and the context within which the participants operate. Document research is extremely useful because of the convenience of being able to access the data at any time and with ease; the fact that transcription has already been performed, and; more often than not, the data has already been given prior consideration (Creswell, 2003).

The defining characteristics of a cottage industry were also developed from document research and a review of the literature. These defining characteristics assisted selection of the case studies. That is, the six case studies were selected on the basis that their characteristics aligned with the defining characteristics of a cottage industry developed in Chapter 3. The following tables (Table 4.2 and 4.3) demonstrate the characteristics of the enterprises that were known pre-interview and were used to guide selection. This pre-interview data was gathered from a variety of sources, such as newspaper articles, the Internet and interviews with key informants.

TABLE 4.2: CHARACTERISTICS OF THE ENTERPRISES USED TO GUIDE THE SELECTION OF THE SMALL-SCALE AGRICULTURAL COTTAGE FOOD ENTERPRISE CASE STUDIES PRE-INTERVIEW

Selection Criteria	Cheese	Berry	Wine
Products	Sheep Cheese	Jams	Quality Wines
More added value	Cheese processing; Use of sheep milk; Certified organic; Small scale; Local Ingredients; Tasmanian	Use of unusual berry types; Processing; Small scale; Local ingredients; Distinctive growing area & Tasmanian	“Quality” “use of additives and preservatives kept to a minimum”; Tasmanian (terroir)
Products often unique/distinctive/ not mass prod’d	Yes	Yes	Yes
Location	On farm cheese factory	On farm processing	On farm winery
Locally owned business	Yes	Yes	“Tasmanian family company”
Own equipment	Designed and built dairy and cheese factory themselves	Own jam kitchen	“state-of-the-art winery facility... close by the vineyard”
Owner usually investor and labourer	Yes	Yes	“Proprietors: Steve & Monique; Winemaker: Steve; General Manager: Monique”
Artisanality	Processing phase artisanal (hand done) Entire Unit – artisanal unsure	Processing phase artisanal (hand done) Entire unit – artisanal unsure	“handcrafted” “Viticultural methods on the site are labour and capital intensive ...done by hand”; “legacy of 5 generations of ... family wine making”
Employees	Website suggested that it was just them; contract winemaker employed initial stages	Website suggested that it was just them	“wholly owned and operated by husband-and-wife team”
Physical Size	-“run a 40 acre property ... not having enough land to run a wool or meat enterprise” ¹	-“not in great quantities ... not contenders for selling bulk fruit to wholesale markets.” ²	-“5.6 hectares” “ Steve and Monique have established a vineyard that is small in size”
Sell locally or direct to the public	Direct farm gate sales & in Hobart (locally)	No direct sales; About 15 retail outlets around Hobart;	Has cellar door; Local distribution;

¹ – <http://www.ontheland.com.au>

² – taken from article in *The Mercury* E. Reeves

TABLE 4.3: CHARACTERISTICS OF THE ENTERPRISES USED TO GUIDE THE SELECTION OF THE EXPANDED SMALL-SCALE COTTAGE ENTERPRISE CASE STUDIES PRE-INTERVIEW

CRITERIA	Cheese	Berry	Wine
Products	Goat Cheese/Yoghurt & Pet Yoghurt * also has cow cheese and yoghurt	Berry liqueurs, jams, pickles, wines, vinegars, chutneys * also has PYO	* also has restaurant, cellar door, function centre, art gallery
More added value	Goat	“pesticide free whenever possible”	Quality
unique/distinctive not mass prod’d	Yes	Yes	Yes
Location	Factory in Launceston	Processing on-farm; “cooked in our own kitchen on the farm”	Contract winemaker since 1999; winery across from Meadowbank at Cambridge.
Locally owned	Yes	Yes	Yes
Own equipment	Yes	Yes	No – contract winemaker uses own equipment.
Owner investor and labourer	Owner works in factory	Owner works in business	Owner works in business
Artisanal	“traditional, hand made cheese...hand made to an authentic style recipe”	Processed – “cooked in our own kitchen”	Processed – Wine made by contractor – not bulk
Employees	“five employees”	Not known at pre-interview stage.	Significant – entire operation
Small scale –low yield and limited tech	Started out small scale	Started out small scale, still low technology	Started small vineyard, still small in relative terms
Physical Size	-“The couple run Westhaven Dairy, a business they built from scratch.” -“They have a milking herd of about 200, which along with six other farms produce all the goats' milk needed for their processing operation.”	possible indicator “Thornlea Wines is the name given to the wines and liqueurs made from the fruits grown at Sorell Fruit Farm, plus some fruit drawn from other Tasmania fruit farms that also produce fruit with high flavour levels.”	“MAJOR EXPANSION The original Glenora vineyard is one of the oldest in the state, and besides continual expansion there, a second vineyard site was added in 1999 at Cambridge.” -“Total 32.94 ha”
Sell locally or direct to the public	Started out selling locally	Started out selling direct and locally	Started out selling locally

In-depth, semi-structured interviews

The two phases of data collection had different goals. The first phase of data collection was primarily concerned with gathering general information about the industry, including salient issues, actors and contextual data. The second phase of data collection, the case study research, was more focused on gathering information about the unit of analysis (i.e. the cottage enterprise and those that have expanded), and, as such, the interviews required depth rather than scope.

The semi-structured interview format in the second data collection phase was considerably more structured than the interviews that took place in phase one (i.e. interviews with the vignettes and key informants). The semi-structured format remained because it offered opportunities to deviate from the schedule and follow specific areas of interest that the participant referred to (Berg, 1998). However, because similar concepts and issues had to be examined amongst each enterprise, the interview schedule was more closely followed. These interviews lasted between 45 minutes and two hours. In saying this, however, there was not much difference in the amount of relevant data collected; rather, it was a reflection of the amount of time that the participant possessed.

The research questions (Table 4.1) presented a number of central concepts. Together these concepts, background information, and other salient lines of inquiry, directed the prompt sheet. Question development began with historical and background information on both the principals and enterprise, and proceeded through to the exploration of salient concepts and issues. A prompt sheet was initially developed, which included the complete set of questions (Appendix D). However, because the case studies were from three different agricultural sectors and differed in their business activities, it was necessary to adapt each sheet pre-interview (Appendix E shows an adapted sheet). Another modification to the prompt sheet occurred during the interviews conducted with the expanded enterprises, where questions over expansion were asked. Other questions were rephrased in different ways throughout the interview to ensure relevant data was collected.

Data Analysis

The case study interviews were tape recorded and transcribed. Audio-taping allowed me to concentrate on questioning/probing rather than note taking, whilst transcribing provided added familiarity with the data. Tape recording also meant that all the data was able to be captured and used in analysis. The data was then imported into the

qualitative software package NVivo. Despite each interview being adapted and modified to the enterprise under study, the prompt sheet remained structured around the same concepts and issues and, thus, open coding began by coding participants' replies around questions from the prompt sheet. The initial coding structure included such categories as background, knowledge of demand, specific roles, employees, cottage enterprise, cottage definition, authentic definition, quantity of production, diversification or expansion, etc (see Appendix E). After this initial phase of coding was completed, the data was re-examined. The final result from coding was a few free nodes and a set of tree nodes, which consisted of generic parent nodes and more specific child nodes (QSR, 2004) (see Appendix E).

Critique of the methodology/limitations to the study

A number of issues arose in the research process. These issues have been acknowledged as possible limitations to the study and are discussed here.

Time Constraints

A potential limitation to the study is the time constraint imposed on research projects. In keeping to realistic time frames, this research was cross sectional in nature rather than longitudinal. In saying this, naturally, changes within the industries under study had occurred during the three years of research; however, it was felt that these changes did not impact upon the findings of the specific research questions asked.

Another time related limitation to the study was the principals' lack of time. Despite interviewing at the most convenient time to the principals, often only one of the husband and wife team was present. The other principal was either staffing the business or was more associated with the technical side of the operation (versus the public relations side). This could potentially mean that data was biased or incomplete. In an ideal world with unlimited time constraints for both parties, a second and follow-up interview with the other party would have benefited the research.

Potential Bias

The use of case studies can present a number of limitations to the research. The risk of selecting atypical or biased case studies is at the forefront of problems associated with case study research. This risk was minimised by asking participants to recommend other industries (i.e. snowball sampling) and selecting cases from the three prominent and very different industries in Tasmanian agriculture. Although snowball sampling can

lead to biased case studies because participants recommend like industries, the use of document research and selection criteria presented in Table 4.2 and 4.3 assisted in guiding participant selection. In regards to the interviews and document research that took place within the case study research, possible limitations to the study include participants filtering information and/or providing biased data (Creswell, 2003, p.186). The triangulation of data from a number of sources (participants and research methods) ensured that this risk was minimised.

Reliability and Validity

Validity and reliability are two essential concepts that need to be heeded in any research project and design to achieve quality. Reliability relates to the notion that a measure is able to produce the same outcomes consistently, even if another researcher was conducting the study (Neuman, 2000, p.171). Reliability in this research has been achieved by the development and utilisation of standardised prompt sheets in attaining data and considerable efforts have been made to define concepts throughout the research. By using the same definitions and prompt sheets, it is proposed that a researcher can expect to gather the same basic data.

Validity refers to “how well an idea about reality ‘fits’ with actual reality” (Neuman, 2000, p. 164). The constructs used within the research to “describe, theorise, or analyse” should match actualities in the social world (Neuman, 2000, p. 164). Validity was enhanced in this project by grounding the research in the participants’ perspectives. This understanding commenced with the enterprise outlines presented in Chapter 2 which formed the vignettes. Understanding was achieved and enhanced by the data gathered from the participants themselves and in so doing, the descriptions and discussion reflects what is happening in reality. Additionally, a lot of time and effort was spent in developing concepts used in the research, so that they would reflect, as accurately as possible, the reality of the situation.

The use of triangulation, the use of heavy narratives, and lengthy contact/observation with those under study also assisted in enhancing validity (Creswell, 1998). This research employed triangulation by using multiple research methods and data collection sources. The use of triangulation permitted the cross-checking of data. Moreover, throughout the study the researcher was still researching the industry and context surrounding it. The increased familiarity with the industry and contextual backdrop further enhanced validity.

Conclusion

This chapter presented the research design for the second data collection phase of the research. Most specifically, the rationale for approaching this research from a critical social science worldview, and the use of particular research methods employed, were provided. The chapter achieved this by demonstrating how the goals of critical social science relates to the phenomenon under study; how each of the research questions were to be investigated; by providing an outline of the overall research design; by discussing the data collection and analysis techniques employed; and, by offering a critical examination of the limitations of the research process. Following on from this, the next chapter will firstly introduce the six enterprises selected for the case study analysis and then present the results of this analysis.

Chapter 5

The Results

Introduction

This chapter displays the results of the case study analysis. The chapter has been broken down into three sections. These sections include:

- Section I introduces *the case studies*;
- Section II presents information about *the enterprises*, such as the composition of each business, the commodities they produce and business age;
- Section III presents data surrounding *central concepts* of the study, such as self-categorisations and self-definitions of the ‘cottage industry’ and ‘artisanal’ concepts, and self-definitions of ‘authenticity’ and ‘quality’; and,
- Section IV provides related additional data.

Depictions of the principals (i.e. the owner/operators) of each case study and other business-related data have been located in Appendix F for easy reference. Although relevant to the research project, the characteristics of the principals are not regarded as core results and, as such, are not included in the main body of the thesis. The section relating to the portrayal of the principals of each enterprise includes such topics as the reasons for establishing the business, their educational background and history; whilst the section offering *business-related* information includes such data as the advantages and disadvantages of being small-scale and membership of associations or informal groups.

Section I: The Case Studies

Location of the SACE Case Studies

The three SACE Case Studies that were purposively selected are located within different sub-regions of Tasmania: the Huon Valley, the Hobart & Derwent Valley sub-region and the Midlands.

FIGURE 5.1: LOCATION OF THE SACE CASE STUDIES



Adapted from Cellar Door & Farm Gate Guide 2003 -2004 (Tourism Tasmania, 2002b)

* Berry SACE is located in this sub-region; however, is misrepresented for anonymity purposes

SACE Case Study 1: Grandview Cheeses

GRANDVIEW CHEESES



www.grandviewe.au.com

Grandview Cheeses (Peppermint Bay Cheesery) is owned and operated by Diane and Alan Rae. Both Alan and Diane are highly educated, business savvy and innovative in every sense of the word. Alan, a solicitor, and Diane, who is educated in psychology, management and marketing, financial planning, renewable energy and cheese making, combine their vast business experience.



www.grandviewe.au.com

Six years prior to moving to Tasmania, the couple decided to make a lifestyle change. This change was motivated by “a deep desire to get back to ‘grass roots’ and to re-establish with the earth and the environment” (Rae, 2003, website). Diane explained that she went “through a mid-life crisis very early and everything that [she] had done to date, apart from the psychology, was based on greed or fear.”

Prior to moving to Tasmania, the couple purchased a fifteen acre property in Queensland’s Maleny area, which is well known for its environmental (e.g. organics, permaculture) and alternative life stylers. There, the couple were involved in organics and “sustainable living”.

After holidaying in Tasmania, Diane and Alan felt such a “strong connection” that they decided to move to Tasmania permanently. In 2001, they bought the forty acre property in

the Tasmanian Huon Valley. The property, although located on one of Tasmania's tourist trails, is situated a couple of kilometres off the main road.

Diane & Alan



www.users.bigpond.com/diane_alan/

The couple are definitely trail blazers in the Australian sheep cheese sector, with only a handful of producers milking sheep nationwide. They milk approximately 80 sheep, which are cross-breeds of East Freisland (at least 75%) and Dorset. They produce Pecorino, blue cheese, two fresh cheeses, Haloumi and two yoghurts. Diane is the farm's cheese maker, having attained qualifications in cheese making at the University of Melbourne's Food Technology Division. She explained that this was necessary to "take it [the cheese-making] from a pot on the stove to a commercial factory".

The Cheese Factory

Their production levels are small relative to the larger cheese producers in Tasmania and on the mainland; producing about one and a half tonne of sheep cheese annually. Their property and products are 100% certified organic.

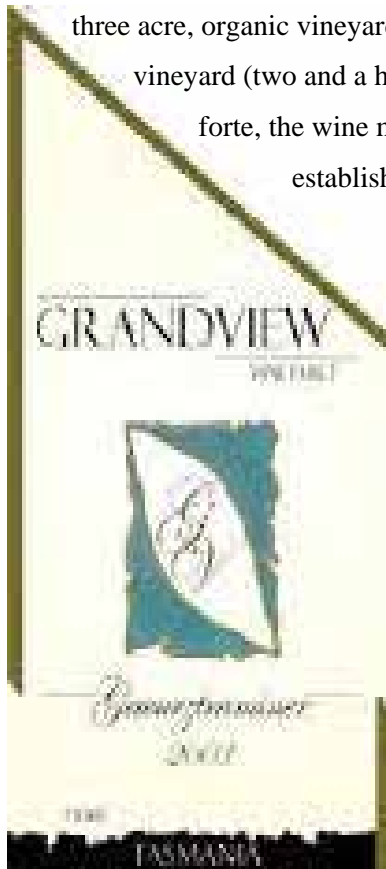


www.users.bigpond.com/diane_alan/

It is Diane and Alan's belief that:

...products produced organically are not only better for the consumer but they also taste better. Added to that is the fact that organic production is environmentally sustainable and we are deeply committed to the protection and preservation of our wonderful environment
(www.users.bigpond.com/diane_alan/Products.htm).

Apart from the sheep cheesery, Diane and Alan have recently established an on-site, three acre, organic vineyard (Grandview Vineyard) and purchased a non-certified vineyard (two and a half acres) nearby. Whilst the cheese making is Diane's forte, the wine making is Alan's. The newly acquired vineyard has been established for a few years and has already received awards (Rae, 2003, website). The varieties of grapes grown



include: Pinot, Chardonnay, Gewurtz, Sauvignon Blanc and Gamay. At the time of the interview, Grandview was the only vineyard in Tasmania with Gamay grapes.

The third business activity is a tourist venture. The Rural Industries Research and Development Corporation, Australia, awarded Grandview a grant which assisted them with the costs of building the straw bale cheese factory and the purchasing of equipment for the milking/processing of the cheese and yoghurt.

At the time of interviewing, the Peppermint Bay Cheesery was a creative idea and an innovative solution for a few separate businesses. The Grandview Cheese couple worked in the cheesery three days a week and leased to another local couple who process cowmilk cheese as a cottage industry (Bruny Island Cheeses). In addition, a local tourist operation - Peppermint Bay – which operates cruises from Hobart had tourists disembark the catamaran at the Peppermint Bay complex, wine and dine, and then go on a tour of the Peppermint Bay Cheesery. The tourists watch the local cheese makers through the viewing gallery and then purchase the cheeses directly at the farm-gate from the tourist operator. As the business has developed, arrangements have changed slightly.



For the Rae's, the concept of the tourist venture is that it is "true farm gate" which for this couple means everything is made on-site. The Rae's do intend to expand in the future. These plans will see an increase in the milking herd to full capacity (a quantity that is unknown as yet) and an expansion of the vineyard.

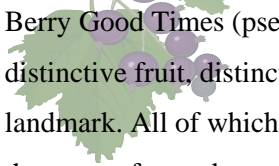
The Cheesery



<http://www.grandview.au.com/Cellar%20Door.htm>

*In the surrounding hills and bays, every turn reveals something new. From vineyards and wineries, an essential oils distillery, flower farm, potters studio, weaving, wood turning workshops and Tasmania's only organic sheep and cow milk farm cheesery. Meet "the girls" as the sheep are fondly known and see them being milked, chat to the cheese makers about their craft and taste the rewards of this ancient art.
(Peppermint Bay Brochure, 2003)*

SACE Case Study 2: Berry Good Times (pseudonym)



Berry Good Times (pseudonym) is a distinctive enterprise in more ways than one: distinctive fruit, distinctive jams and the farm is located near a distinctive geographical landmark. All of which contribute to an extremely popular product, which is evidenced by the swag of awards pasted in their on-farm kitchen and the fact that demand totally outstrips supply. Their entire range includes between 10 and 20 different berry jams. Amongst the descriptors used to describe their products are “care”, “distinctive”, “unique”, “quality”, and “hand picked”.



Photos taken from <http://www.pickyourown.org/>

Robert and Anne Smith (pseudonym) purchased Berry Good Times in the mid-eighties as a run down berry farm, with much of the farm having been “ploughed under”. As Robert explains, the run down state of the farm was a widespread phenomenon that occurred when imports began and local contracts with berry farmers were terminated in the 1980s. The farm is small in size, growing just two and a half acres of berries. The Smiths use all of their berries to make the jam and do not source off-farm.

Their “credo is sustainable farming, rather than organic” and as the female principal stated, that’s because they believe sustainable to be “real life rather than hope”, as opposed to organic which they do not consider reality. Their products are made with minimal sugar and no preservatives simply because it tastes better and because Anne suffers from asthma. The couple moved to Tasmania from Victoria (Australia). They both did not originate from a farming or business background. The rationale for this transition: cheap land prices and to provide their children with a better future.



Originally their intention was to make a “fortune growing and selling the fruit, jam just wasn’t on the horizon”. As Robert states cynically, blueberries at that stage were “the alpacas of the eighties or the ostriches or the aloe veras of the eighties.

Blueberries, everybody was going to make a small fortune growing blueberries.” For the Smiths, raspberries were not even in the picture at that stage.

A few years down the track, the farm now grows raspberries, blackberries, loganberries, redcurrants and jostaberries. Some of the berries that they grow are unusual for this part of the world and as Anne explains, she is “curious” and likes to experiment with the plants. Their original intention of not making jam altered when they realised that the best way to promote the different berries was by getting the customer to try a jar of that particular berry jam.



Due to the farm’s out of the way location, it is not on one of Tasmania’s tourist trails. Berry Good Times employs minimal seasonal pickers (usually one) and when they talk of expansion, they refer to an increase in the amount of water to irrigate the berries, rather than an increase in orchard size.

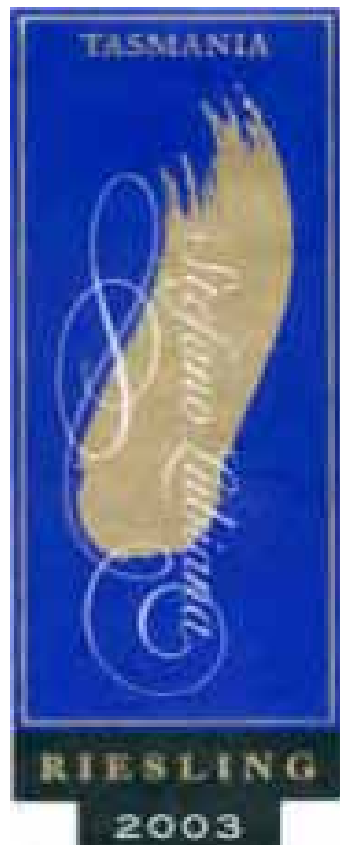
SACE Case Study 3: Stefano Lubiana Wines



<http://www.slw.com.au>

Winemaking is an art as well as a science. But there is more to it than that. Behind every bottle of Stefano Lubiana wine, there lies a legacy of 5 generations of Lubiana family winemaking. A legacy of labour and love - for others to enjoy.

(<http://www.slw.com.au>)



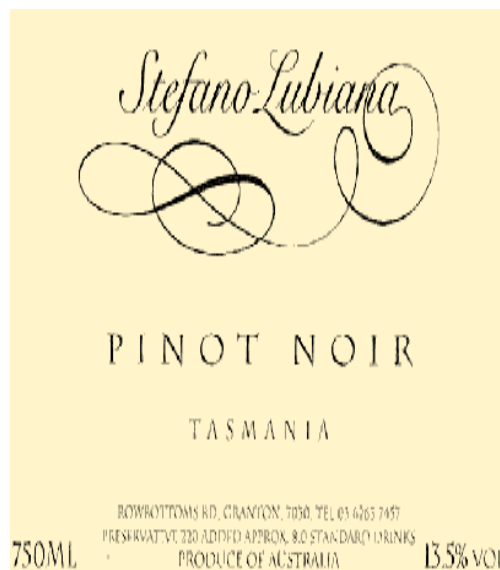
<http://www.slw.com.au>

Steve and Monique Lubiana moved from the Riverland, a famous grape growing region in South Australia, and bought their Granton farm in 1990. Two years prior to moving to Tasmania, the couple took over Steve's father's vineyard in the Riverland and as Monique explains, "we had the opportunity to grow a volume business ... whereas in Tasmania we could make quality and, I suppose, chip away at building a reputation so that eventually if somebody wanted a Pinot ... that's got to be Stefano Lubiana's Pinot." The Lubiana's desire was to be "producers of hand-crafted wines, rather than beverage producers - alcohol beverage producers - which is what we would consider ourselves if we were to stay in the Riverland area". They were also looking for a "truly cool climate", which is what Tasmania had to offer.

When the 170 hectare property was purchased, it was an established market garden. They ran the market garden for a year before planting their first vineyard in 1991. Gradually, as the couple could afford it, they planted more vines. Today the family of five have 19 hectares of vineyard (not all of which are in full production) and a successful on-farm winery.¹ Depending on the season, Stefano Lubiana Wines produce between 8,000 and 10,000 cases annually. The Wine SACE describes itself as a “commercial enterprise, focusing on the production of hand-crafted, cool climate, still and sparkling table wines” (www.slw.com.au).

Steve has a rich family history in grape growing and wine making. Steve’s father, originally from Italy, was a wine maker and the tradition spreads back generations. Back in Italy, the family owned a very small mixed farm where they were:

growing grapes, a few barrels of grapes, they were probably buying grapes in from neighbouring plots. They had a little restaurant where they served two dishes everyday with this or that, and they served their own wine. They grew almonds, they made prosciutto, salamis, all that sort of thing. Steve’s real ambition is not just about wines, it’s about wine and food, it’s about regionality.



<http://www.slw.com.au>

Steve has a degree in Oenology and has worked in France and Italy. Monique possesses a diploma in secretarial studies, which complements Steve’s strengths and together they make a great team. The on-farm winery means that the “fruit arrives promptly at the winery’s presses, in prime condition, needing little intervention during its journey from bin to bottle” (www.slw.com.au). For the Lubianas, not using pesticides in the vineyard and the minimal use of additives and preservatives in their wines is motivated by their wanting to produce the best quality wine that they can.

¹ At this stage of the research, it was evident that this enterprise was larger than a SACE. It was decided, however, to retain this case study as it enabled research into the authenticity of claims which aligned it with the defining characteristics of a cottage industry and the preservation of the expression of the principals’ values and beliefs despite turnover.

“Viticultural methods on the site are labour and capital intensive. All pruning, shoot positioning, leaf-plucking, bird netting, and fruit picking is done by hand”. For this reason the farm employs three full time staff: recently, however, as part of a small expansion plan, the Lubianas employed as many as ten sub-contractors at one time. As Monique explains, many of these sub-contractors were agricultural students from the University of Tasmania.

Stefano Lubiana Wines is located in the Derwent Valley Region and is situated on one of Tasmania’s tourist trails, known as The Wild Way. As for future plans of expansion or diversification; olives, prosciutto, salami and cherries were amongst those mentioned. “The idea of having fresh nectarine pie or something like that on offer. It’s grown off the tree and you go and actually pick one is appealing to us”. However, in keeping with their commitment to quality wine production, the Lubianas will cap production at about 200 tonnes, simply because production above this means that they would have to employ an additional winemaker, something that is not aligned with the Stefano Lubiana Wines philosophy.

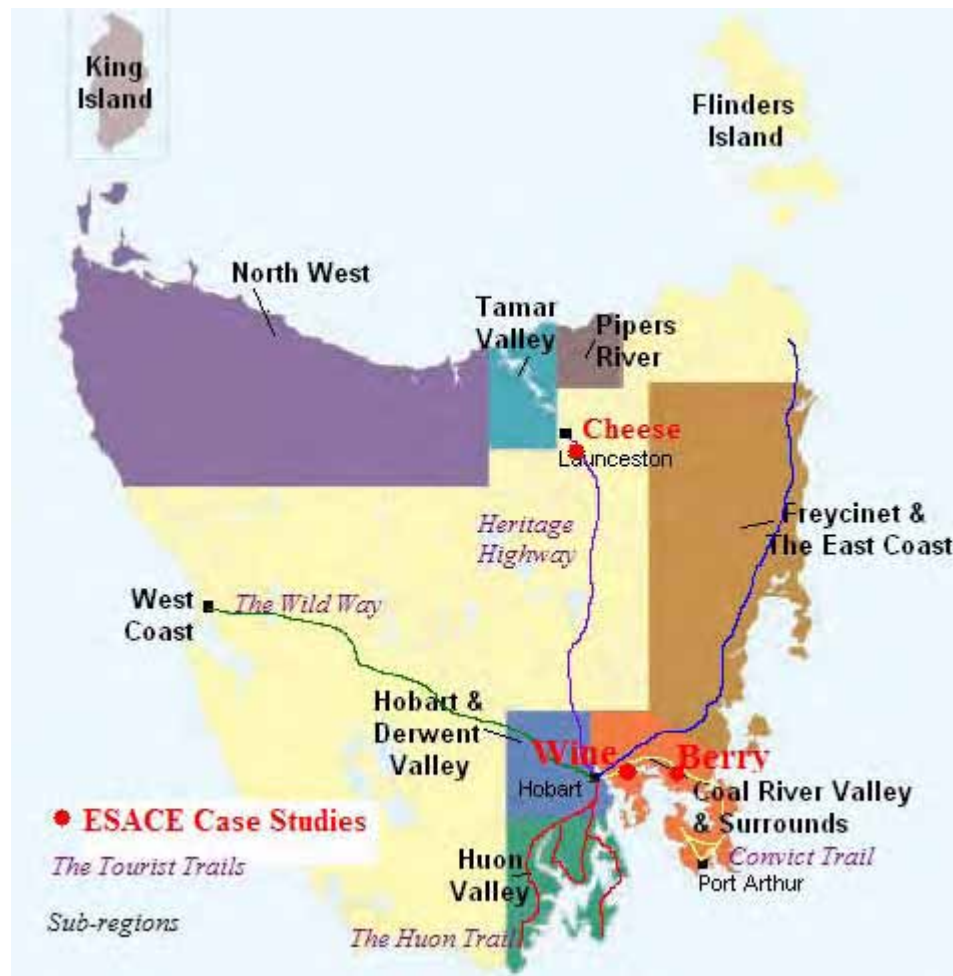


<http://www.slw.com.au>

Location of the ESACE Case Studies

The three ESACE Case Studies that were purposively selected were located within two different sub-regions of Tasmania: the Coal River Valley and the Tamar Valley (see Figure 5.2).

Figure 5.2: Location of ESACE Case Studies



Adapted from Cellar Door & Farm Gate Guide 2003 -2004 (Tourism Tasmania, 2002b)

ESACE Case Study 1: Westhaven Dairy



<http://www.westhavedairy.com.au>

Lorraine and Geoff Mance own and operate the Westhaven Dairy in Launceston, Tasmania. Originally, the Mances had 20 acres of land and a couple of goats. The goats were initially bought for the provision of milk for their daughter who suffered health problems. Lorraine jovially repeats one of her husband's sayings and advises people never to get a goat because it just keeps growing from there. Eventually the 20 acre property became too small and the Mances moved up the West Tamar, where they bought 400 acres.

The enterprise started as a humble business selling goat milk to private customers and supermarkets. During the peak periods of milk production, Lorraine found that she had an excess of milk. She began making small quantities of cottage cheese and a low-fat goat milk yoghurt and butter with the excess.



<http://www.westhavendairy.com.au>



<http://www.westhavendairy.com.au>

Eventually though, milking, processing, distributing and raising four children became too much, and instead of processing the excess milk, they sold it to a factory. Years later and after becoming disillusioned with the factories, because “nobody seemed to know how to handle the product or how to explain to people the benefits of it and so on”, the Mances went into partnership with another cheesemaker. This partnership has

since ended and ten years ago the present factory site (an ex-ice cream factory in suburban Launceston) was leased.



Geoff, an ex-builder, performs maintenance and other technical jobs, while Lorraine runs the business. Apart from the Mances, the dairy employs five full-time staff. However, in the pre-Christmas period (their busiest), the number of employee swells. This year it was up to eleven.

In the first few years of the factory, Westhaven produced all their cheese for a larger cheese processor with national and international distribution. The dairy still sells to the company today but is trying to make a name for their own label. In the beginning, it was obvious that the dairy “couldn’t establish a whole business just on goat cheese” and that “nobody in Tasmania was making cowmilk yoghurt”. As a result, Westhaven established a second line of products using cow’s milk. Their goatmilk products consist of chevre, marinated chevre, marinated fetta cheese, fetta cheese, goatmilk yoghurt and goatmilk cheddar. Their cowmilk products are fetta, marinated fetta, yoghurt and marinated yoghurt. Lorraine also developed an animal product called YoPet, a drinkable yoghurt for animals. The dairy now produces approximately 26 tonnes of goat cheese; however, as Lorraine explains, “we’re the biggest producers [i.e. processors of goat milk] in Tassie and second biggest in Australia, which sounds impressive, but it isn’t really”. The dairy sells direct at its factory door.

In October 2003, the Mances sold their 400 acre property, having had goats for 32 years. Lorraine suggested that “it comes to the stage when you’re milking 180 goats and trying to run this [i.e. the processing business], you just can’t do it.” All milk is now sourced from local farmers and it was stated that by not producing the raw

milk themselves, it “has not been good for the business because we had far better control on our milk when we were producing it ourselves.” Recently they bought a much more manageable five acre property and Lorraine states that “I’ll definitely have a few goats. Perhaps really enjoy them. Go back to showing them”. There is also a possibility that the business will expand its operations somewhat, having run out of factory floor space and in need of a larger area.

Lorraine’s enthusiasm and passion for the dairy goat is evident in their longevity in the industry and the end results. As Lorraine explains:

I guess the major thing that’s kept me going is the major fact that I really, really love the dairy goat and I just refuse to give up on telling people just how good that animal is and just how good the product is that you make from it, like health wise.



<http://www.westhavendairy.com.au>

ESACE Case Study 2: Sorell Fruit Farm

Sorell Fruit Farm



NOW OPEN. Come pick your own berries and fruits ... and taste our wines

We are a family business that specialises in growing superb berries and fruits in the rich soil of a wide river valley.

www.sorellfruitfarm.com



www.sorellfruitfarm.com.au

Sorell Fruit Farm has “the widest variety of temperate fruits available in any ‘Pick Your Own’ in Tasmania.” The farm produces strawberries, raspberries, loganberries, boysenberries, tayberries, silvanberries, blackcurrant, cherries, apricots, nectarines, peaches and apples.

Bob and Elaine Hardy are the principals of Sorell Fruit Farm. Elaine, an ex-school teacher, and Bob, an ex-Chief of the Fruit and Ornamentals Branch of the Tasmanian Department of Primary Industries and agricultural consultant, both work full time in the business. Bob was looking to exit public service and noted that Pick-Your-Own enterprises were one of the most rapidly growing areas of horticulture in specific areas around the world.



The farm, a bare paddock when the couple purchased it in 1989, is now a thriving business. The first fruit – strawberries - were planted in May 1989 and by November of that year, they were operating as a PYO.

For the first four years (until 1993), the farm operated as a PYO on a three day a week basis. Due to the popularity of the PYO, the Hardys consciously chose to expand the business and built a small structure to house the produce that they began making in 1994.

Initially (before the kitchen was added), the jams were processed in an off-farm commercial kitchen; however, two years later (1996), they added the kitchen and expanded their product range. Today the product variety includes fruit vinegars (strawberry and raspberry) and a wider range of jams and pickled fruits.

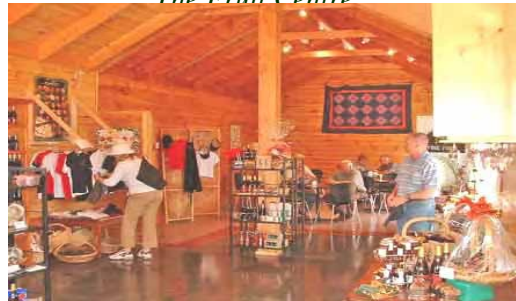


Our unique jams, vinegars, chutneys and pickles are cooked in our kitchen on the farm and visitors frequently experience the aroma of cooking smells as they enter the tearooms.

www.sorellfruitfarm.com.au



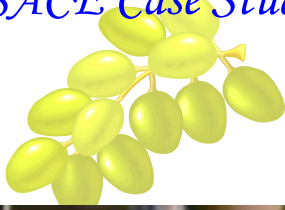
The Fruit Centre



In 1990, the Hardys started experimenting with fruit liqueurs and wines (under the Thornlea label) and in 1991 they sought the assistance of a wine maker. Production has been steadily increasing since and they now distribute the wines and liqueurs to 14 different retail outlets around Tasmania. The Thornlea label incorporates five types of liqueurs: strawberry, cherry, silvanberry, raspberry and tayberry. In 1998 (two years after the kitchen was built) they added an alfresco dining area and have recently doubled the size of the display/seating area.

In 1992/93 the Hardys sourced off-farm, local, processed items to stock in their fruit centre. They now sell more off-farm processed items in total at the PYO than they sell of their own product. The business currently sources raw agricultural product from seven other farms within Tasmania for their wine and liqueurs. All staff are seasonal and the farm employs one full timer, six part timers and the wine maker. In relation to future intentions, liqueur and wine (to a lesser extent) production will keep increasing, whereas the rest of the product range (i.e. jams, vinegars, chutneys) will remain constant.

ESACE Case Study 3: Meadowbank Wines



www.meadowbankwines.com.au

The success story of Meadowbank Wine began in 1976 when Gerald and Sue Ellis purchased a grazing property at Glenora in Tasmania's Derwent Valley, after Gerald completed a Bachelor of Rural Science and Diploma in Financial Management at a mainland university.

The grazing property, originally established in 1850 (www.meadowbankwines.com.au), had a half hectare of vineyard already present when the couple purchased it. However, it was not until 1987 that Gerald and Sue planted more grapes, increasing its total to two hectares.

Throughout the 1990s, Meadowbank at Glenora gradually expanded their vineyard to where it is today: eleven hectares. Over the years, the property has also produced essential oils, small seed production, forestry, wool and beef production. Today the property only supports grazing and viticulture, having ceased the majority of cropping operations due to the Ellis' view that these practices were environmentally degrading.

Throughout the eighties and nineties, Gerald and Sue were struggling with high interest rates and low wool prices and, consequently, the grazing business at Glenora was not giving them an adequate return on their investment. They began looking around for other business opportunities. As Gerald explains, "we looked at all our resources ... what we thought we enjoyed doing, what we had a passion for and what we were good at." The result, a business based around wine production.

Another problem that the business had to overcome was the Wine Equalisation Tax. This tax is avoided via a cellar door; however, Meadowbank at Glenora was not located near a tourist trail. The solution being, move to a tourist trail and establish a cellar door.

They subsequently leased a second site, began building, and Meadowbank at Cambridge was established in 1999. It is located on The Convict Trail in the Coal Valley Region. Besides the cellar door, the building now houses a restaurant, function centre and arts centre. Thus, Gerald and Sue have the wine business at Cambridge and the grazing/wine business at Glenora, with all of their vineyards adding up to 32.94 ha in total.



www.meadowbankwines.com.au

Despite additional business activities, Meadowbank's level of wine production is "absolutely miniscule" compared to larger mainland wine producers. The two different vineyard sites means that Meadowbank wines can "maximise the opportunities presented by Tasmania's significantly different microclimates" and "the net effect of this appears to be that the Glenora vineyards provide fruit intensity and the Cambridge vineyards provide structure and density" (www.meadowbankwines.com.au). They do not differentiate their wine by location.

The enterprise employs a contract wine maker who is located on an adjacent property at Cambridge; adding to its 'authenticity'. Despite not producing the wine himself, Gerald is very much involved in the decision-making process. "There are nine styles and varieties under the Meadowbank label ... They include Riesling, Sauvignon Blanc, Chardonnay, Pinot Gris, Pinot Noir, Cabernet and 'Mardi', our premium sparkling wine" (Meadowbank Estate).

Set amongst the vineyard; Meadowbank at Cambridge.



www.meadowbankwines.com.au



Meadowbank Estate at Cambridge opened their vineyard restaurant in 2000, with an emphasis on Tasmania's "fresh seasonal produce". As their website states:

...it was obvious that the cool-climate wine styles produced here are food wines. Accordingly, we take as much pride in our food as we do in our wines, and we suggest marriages of our dishes with particular wines to enhance the enjoyment of the experience, by bringing out the best in each.

www.meadowbankwines.com.au

Meadowbank also caters for functions and the terrace overlooks the vineyard, water and restaurant. The arts centre features local artists and includes paintings, prints and drawings, sculpture, and music. Meadowbank's innovativeness is evident in awards it has won: 2003 Tasmanian Tourism Award for Best Tourism Winery; 2003 Restaurant and Caterers'

Association of Tasmania Award for Best Restaurant in a Winery; 2002 Telstra Tasmania Small Business of the Year; 2002 Tasmanian Tourism Award for Best Tourism Restaurant.



www.meadowbankwines.com.au

Meadowbank employs approximately 18 full time staff and over 100 casual employees. Recent renovations have included separating the cellar door and the restaurant. Gerald referred to the development of a wine gallery in the near future, which he said “is a new concept that hasn’t been seen in Tasmania and not really anywhere else in Australia”. As for

future growth intentions, a short-term expansion plan in the viticulture area is to occur.

A stylized, cursive signature or logo. It consists of a large, flowing 'M' followed by a smaller, more intricate flourish that loops back towards the 'M'.

Section II: Business Composition

Introduction

This section introduces the case studies (i.e. *the enterprises*) by presenting data about the composition of each of the businesses. The following provides a description of each unit's product line, the size of the business, employee composition, location of the business, age of the business, ownership and the markets to which they distribute to.

Existing Products/Services

The products and services that each enterprise offers are extremely diverse. 'Products' refers to those tangible goods on offer and services refers to tours and other tourism activities (see Table 5.1). The Cheese SACE sells a variety of sheep cheese and yoghurt and had recently diversified into wine products. The enterprise had recently planted their own vineyard, had purchased another, and also sells cow's cheese, which is made by another couple who lease the cheese-making facility for half the week. A tourist facility leases the establishment and sells the cheese products at the farm gate to tourists. As one of the principals explained, "we provide the facility and the light entertainment", referring to the viewing gallery located in the cheesery.

TABLE 5.1: PRODUCTS AND SERVICES OFFERED BY ENTERPRISES

	SACEs	ESACEs
Cheese	<u>Products:</u> Sheep Cheese (5 types); Yoghurt; Wine: (5 varieties) <u>Services:</u> Lease cheese factory to local tourism identity; lease factory half of week to cow cheese makers, tourist attraction	<u>Products:</u> Goat Cheese (5 products); Cow cheese (2 products); Cow Milk Yoghurt (2 products) Goat Milk Yoghurt (1 product); and YoPet. (11 products)
Berry	<u>Products:</u> More than 10 variations of jams	<u>Products:</u> Jams, Pickles, Chutney, Vinegars, Wines, Liqueurs; other local produce in sale centre; no fresh product sold off-farm <u>Services:</u> Pick Your Own (PYO); Guided tours around paddock; Fruit Centre/Sale Centre (tearoom/café style dining)
Wine	<u>Products:</u> 13 different wine products (at time of publication) <u>Services:</u> Cellar door	<u>Products:</u> MB at Cambridge - wine (nine styles and varieties) MB at Glenora – Beef and Viticulture <u>Services:</u> MB at Cambridge – Restaurant, Function Areas, Art Centre, Cellar Door.

Location of Business

As referred to previously, one of the defining characteristics of a cottage enterprise is that part, if not all, of the business is undertaken at the cottage/residential property. This section displays where each business (i.e. processing) is located.

TABLE 5.2: LOCATION OF BUSINESS

	SACEs	ESACEs
Cheese	Cheese Factory near residence	Cheese Factory off-farm and in city
Berry	Jam kitchen in separate building near residence	Fruit Centre and kitchen near residence
Wine	Winery near residence	Meadowbank at Cambridge off-farm/on tourist trail; Contract winemaker off-farm

All three SACEs produce the product in some type of building near, but separate to, their house. None of them actually produce the product in their residence. The Berry ESACE processes all their products, except the wine and liqueur, in the Fruit Centre's kitchen. The Cheese ESACE has leased an ex-ice cream factory off-farm for the last ten years; prior to that they processed in their home kitchen. The Wine ESACE started their second business at an off-farm site in Cambridge, so that they could be on a tourist trail. Their wine is processed by a contract winemaker a few hundred metres away.

Employees

The number of employees is often used in the literature to describe a cottage, micro, and small business. Table 5.3 illustrates the number of employees and basis of employment of each of the case studies.

TABLE 5.3: NUMBER AND TYPES OF EMPLOYEES

	SACEs	ESACEs
Cheese	None; contract winemaker	Five full time plus seasonal labour for pre-Christmas sales (up to 11 that 2003 season)
Berry	One fruit picker only (seasonal)	One seasonal full-time; six seasonal part-time; contract winemaker
Wine	Three full time and as needed (mostly university students)	Eighteen full-time employees and over 100 casuals; contract winemaker

Differences do exist in the number of employees between the SACEs and the ESACEs. Employees in this sense, refers to those involved in the day-to-day operations, rather than the use of consultants or the involvement of other business services. At this stage, the Cheese SACE does not have any employees. The Berry SACE employs a fruit picker each season. Three full-time employees and casuals as needed are the extent of the Wine SACE's labour force.

The Cheese ESACE employs five full-time staff year round; however, over the pre-Christmas 2003 period their labour force went up to eleven. With the Berry SACE only opening from October to May (June to October pre-booked tours only), all employees are seasonal: one full-timer, six part-timers and a contract winemaker. The Wine ESACE is significantly larger in size of operation and employs 18 full-time staff and over 100 casuals.

All of the case studies are operated by husband and wife teams that should be included in the labour count, except for the Wine ESACE, where the wife operates the Glenora property and the husband operates the Cambridge site. In relation to other family members involvement, apart from the son at the Cheese SACE developing a website, there were no significant activities undertaken by any other family members.

Markets

Apart from the farm gate sales that the tourist operator sells, the Cheese SACE sells a small amount of cheese around Hobart in a Gourmet Deli and some health shops. When asked if they sold products overseas, the response was "we can't even supply the Australian market, let alone overseas". The Berry SACE sells most of their product within Tasmania (approximately 15 smaller retail outlets). Insignificant quantities are sold to mainland customers via post and a retail outlet. Their lack of interest in an overseas market was explained when they suggested that "demand is way ahead of what we can supply".

Internet sales are described as "all the time" by the Wine SACE and they export to all states in Australia, to Denmark and the United Kingdom (U.K market is decreasing). Their "goal is to get eighty percent into restaurants, so that ... [their] wine is drunk with food and then twenty percent into bottle shops so that people can access it." Cellar door sales also occur.

TABLE 5.4: MARKETS: LOCAL, NATIONAL, INTERNATIONAL

	SACE			ESACE		
	Cheese	Berry	Wine	Cheese	Berry	Wine
Local Markets						
Cellar Door/Farm Gate (on-farm)			✓	✓	✓	✓
Internet Sales/Transactions			✓			✓
Sells product locally (Tasmania)	✓	✓	✓	✓	✓	✓
Sells product nationally (Australia)		i	✓	i	i	✓
Sells product overseas (Internationally)			✓	i		✓

i – insignificant amounts

✓ – yes

The Cheese ESACE's main market lies within Tasmania. They do sell to the mainland “in a small way”, but this is mostly in catering units, where they can gain economies of size. Small amounts of goatmilk cheese are sent to Singapore and goatmilk yoghurt to China but transportation costs and shelf life have prevented them pursuing this market. In Tasmania they sell to the large chain supermarkets, health food shops and any other retailers. They also make cheese for a local company with a national distribution who buys their product and on-sells under their own label.

The Berry ESACE sells their wines and liqueurs to 14 retail outlets throughout Tasmania, with insignificant quantities sold overseas. Their farm gate outlet stocks their entire product range. The Wine ESACE distributes to eastern Australian cities, Canada and Denmark; however, most of their product is sold within Tasmania via their cellar door (approximately 30%) and restaurant (20%).

Land size/farm size/herd size

There is a noticeable difference between the SACE and ESACE farm/herd size (see Table 5.5). Noting that differences between products must be taken into consideration the Cheese SACE stocks 80 sheep, while the Cheese ESACE, which was sold in October 2003, stocked a herd of 200 goats with a significantly different property size: 16 versus 160 hectares. The Berry enterprises were significantly different in size (1.01 ha compared to 5 ha), but given the different operations carried out in each enterprise, this is understandable.

TABLE 5.5: SIZE OF FARM/HERD

	Cheese	Berry	Wine
SACE	80 sheep, 16 ha property	1.01 ha (2.5 acres) of berries, 15 ha property	19 ha of vines on 170 ha property (60 ha available)
ESACE	Sold farm Oct 2003, 200 goats, 160 ha property	5 ha of fruit	Total = 32.94 ha (Cambridge 9.02 ha; Glenora 10.86; GS Ellis Pastoral 13.06 ha)

0.405 ha = 1 acre

1 ha = 2.47 acres

The Wine enterprises were also noticeably different, in that the Wine SACE had 19 hectares of vines and was capping production, whilst the Wine ESACE had 32.94 hectares of vines and was planning to undertake a small expansion in this area.

Section III: Data Surrounding Central Concepts of the Study

Cottage Enterprise

Self-Categorisation as a Cottage Enterprise Now or Before Expansion

Two of the three SACE case studies (i.e. the Cheese and Berry) categorised themselves as a cottage enterprise (see Table 5.6). The Wine SACE, however, did not categorise themselves as a cottage enterprise and suggested that many wineries would consider it almost an offence to be called a cottage enterprise. Later on in the interview, the female principal reassessed her answer and stated that perhaps they were initially a cottage unit but had since “stepped out of the cottage industry into mainstream”. The connotation was that a cottage enterprise was a backyarder, not a serious-type of enterprise, whereas their enterprise is totally devoted to producing a quality product and achieving this is taken very

seriously. When asked if they considered themselves to be a cottage unit, the female principal of the Wine SACE initially stated that:

No, I don't think we would. We sort of consider it more mainstream. Australia has a huge wine industry and while we are, probably, only one percent of that industry, we are the top one percent as far as quality production.

TABLE 5.6: SELF-CATEGORISATION AS A COTTAGE ENTERPRISE NOW OR BEFORE EXPANSION

	Cheese	Berry	Wine
SACE	Absolutely	Yeah, I suppose so	No. We stepped out of the cottage industry into mainstream. *actually said that many wineries would consider it almost offensive to be called cottage
ESACE	For Sure	Definitely and still are in terms of jams etc. production	Yes, except we did have permanent outside employees

All of the ESACE case studies categorised themselves a cottage enterprise before expansion. What was interesting to note is that the Berry ESACE still considered themselves to be a cottage unit in terms of the production of jams, vinegars, pickles etc., but not the rest of the business (i.e. in wines and liqueurs). The Wine ESACE categorised themselves as a cottage unit before expansion, except for their employment of non-family members. The Wine ESACE stated that a cottage enterprise is:

some small business operated with no outside employees. It's very much family operated. Just family members and perhaps an odd, occasional employee, and all management is retained within the family.

Self-Definition of a Cottage Enterprise

Self-definitions of a cottage enterprise amongst the case studies were diverse (see Table 5.7). The Cheese SACE stated that it was a small business with staff being limited to five, that it was very much a hands-on operation with hand-made products, and that it was boutique (which for this enterprise meant hand-made). The Berry SACE described a cottage unit as one that is home-based, not necessarily a major source of income and that the concept was related to the methods of production. The Wine SACE defined a cottage

unit as a part-time business (i.e. operated on weekends or after hours); one that is operated by a couple or a family and is not the owner's sole income.

TABLE 5.7: SELF-DEFINITION OF A COTTAGE ENTERPRISE

	Cheese	Berry	Wine
SACE	Small Business; Limit staff to five; Size of enterprise; Net profit not a lot to do with it; Hands on; Hand-made; Boutique	Home-based; Not necessarily a major source of income; Topping up income rather than a business; Methods	Part-time; Couple or family; Operate business on weekend or after hours; Not sole income
ESACE	Something like I was doing: milking goats myself, making products myself, selling it myself, doing a little shop around, run around the delis, selling my own product; No specialised equipment.	Depends largely on own labour and production resources (equip) to produce its output; If move off-site and use facilities of another business in minor way still a cottage unit	Small Business; No outside employees – odd occasional employee; Family operated; All management retained in family

For the Cheese ESACE, their business operations before expansion were used as an example to describe their perception of what a cottage unit was. That is, everything was done by themselves: milking the goats, making the products, selling and distribution. Not using any specialised equipment within the business was also seen as a defining factor of a cottage unit. The Berry ESACE perceives a cottage unit to be one that depends largely on their own labour and production resources (e.g. equipment) to produce the products. It was further added that even if the business utilised facilities off-site, in a minor way, to process the product, it was still a cottage enterprise. Finally, the Wine ESACE viewed a cottage unit as one that is small, has basically no outside employees (except the odd occasional one), is family operated and management is retained in the family.

Artisanal

Due to the salience of the artisanal concept, participants were asked if they saw their production methods/business as artisanal (i.e. self-categorisation) and how they would define artisanal (i.e. self-definitions).

Artisanal and Self-Categorisation

All of the SACEs and ESACEs interviewed categorised themselves as artisanal food producers (see Table 5.8).

TABLE 5.8: SELF-CATEGORISATION AS ARTISANAL

	Cheese	Berry	Wine
SACE	Yes, we hand make all the cheese; we hand fill all the yoghurt containers; labels are put on by hand; it's much more hands-on; Situated in opposition to mechanised, computers making the cheese, filling and labelling	Definitely	Absolutely, one hundred percent
ESACE	For sure	Yes	Yes definitely

Artisanal and Self-Definitions

Self-definitions of artisanal, by each of the case studies (see Table 5.9), will be presented in a format consistent with the defining characteristics developed in Chapter 3. That is, data will be aligned with the hand-made, product involvement and artisanal business unit components of artisanal.

The Cheese SACE positioned their operations as artisanal by referring to certain cheese producers in Tasmania who rely on an intermediate level of machinery or where production is fully mechanised. Constant experimentation, creation and product innovation were mentioned, stating that “it’s a bit like a Chef going into a kitchen and saying well what’s fresh, what’s local, what can I deal with this week and then creating a menu out of that.” Their self-identification of boutique was defined as the production, packaging and labelling being done by hand and by themselves.

The Berry SACE took a more cynical approach to artisanal. They referred to it as a “perception”, which many Tasmanian enterprises use, rightly or wrongly. This enterprise has positioned their product as “gourmet”, rather than focusing on the artisanal component to sell the product. The Berry SACE referred to a larger Tasmanian enterprise that used the home-made identity: a reason why their outlook was so cynical. A look at their processing kitchen revealed a unit not too dissimilar to a residential kitchen. That is, except for the cool room, the scale and level of mechanisation were more akin to a domestic kitchen.

TABLE 5.9: SELF-DEFINITION OF ARTISANAL

	Cheese	Berry	Wine
SACE	Word is derived from art which is a creative concept; No machines so not standardised; Versus machinery, where there is no human input; Evolving cheese around differences in milk; Creating, experimenting all the time	It's basically a perception; ... a lot of Tasmanian products sell the perception that it's cuddly, cute, friendly, home-made product, so, rightly or wrongly we all say it...	Wine making is an art as well as a science (website); Goal to be producers of hand-crafted wines, rather than alcohol beverage producers; Five generations of Lubiana family winemaking; "creative core"
ESACE	Hand-made; Machine versus hand cutting marinated fetta squares; Cheese making is an art; 100 gram units of cheese each handled ten times before gets to customer.	Unsure of definition; and then asked if hand-made versus mechanised and answer yes	A good winemaker puts art into the science of winemaking; Science can't tell you that (e.g. how long to leave it in wooden barrels)

"Producers of hand-crafted wines" rather than large quantity beverage producers; the cap on production so another winemaker was not required; and, the need to employ extra staff because their business operations are more hands-on/manual-based were all mentioned by the Wine SACE during the interview.

The hand-made component was most evidenced in the Cheese ESACE products by the fact that each 100 gram unit of cheese is handled ten times before it is sent out of the factory. A factory tour revealed fetta squares being hand-cut by employees, rather than the use of machines/production lines. The mentioning of problems getting trained cheese makers who knew how to do more than push buttons (as is the case in the larger factories) aligns with the hands-on component. In reference to the art form component, the female principal stated the need to work around differences and the unknown in the raw product:

when you're processing your own milk you know exactly what you're doing and what the milk will do and how it changes at different times of the year, so it becomes a little bit more tricky when you're buying bulk milk from different areas.

For the Berry ESACE, defining artisanal was difficult. When asked if they were hand-made, rather than using mechanisation, the answer was "oh yeah". Their on-site kitchen resembles a home kitchen with no production lines or mechanisation. This was supported by the male

principal stating that they did not have the facilities to gain economies of size in their on-site kitchen. Alternatively, the fruit wines and liqueurs are made off-site by the contract winemaker. It was explained that there was a significant amount of experimentation and fine tuning (by both the wine maker and the ESACE principals), which demonstrates the level of human input and creative aspect. The principal of the Wine ESACE emphasised that he is “heavily involved in the wine making process” and referred to himself as “executive wine maker”.

The Cheese SACE produces the raw agricultural product, processes and packages on-site. They even hand built the straw bale milking shed/dairy. There is a small amount of distribution to Hobart, which they do themselves, but the majority is sold to the tourism establishment, which is then on-sold at the farm gate to the customer. Having previous business experience, they, for the most part, handle business activities themselves.

The Berry SACE also grows and processes the raw agricultural produce themselves. However, because of the difficulty of farm gate, their product is sold to a large number of retail outlets around the state. For the Wine SACE producing and processing the raw agricultural produce is an integral part of producing a quality product. They do, however, buy in grapes as a “security” measure; in case they lose their crop (for example, due to frost). They sell nationally and internationally and have a number of distributors. During the interview, the prior employment of a “marketing person” was referred to, and, as mentioned previously, they do have more employees than the other two SACEs.

In 2003, the Cheese ESACE sold their farm. Whilst still in possession of their farm they had 200 goats and were sourcing from six other local farms. Now all milk is sourced off-farm. Despite a number of employees, the principals work full-time in the business and are still heavily involved in product development and innovation (whilst interviewing an employee came out a couple of times to ask for the female principal’s opinion). They employ a graphic artist (for labels and website) and since expansion they have a distributor for the Northern Tasmania region and the Hobart region.

The Berry ESACE sources raw agricultural produce from its PYO business and six other Tasmanian farms (since the 1991/92 season). Processing of the jams/pickles etc is performed in their on-site kitchen, whilst the berry wines and liqueurs are processed by the

contract winemaker. The product is distributed to fourteen retail outlets around Tasmania. The website was developed by an external contractor. Packaging and labelling for their on-site products is done in their kitchen.

The Wine ESACE produces all the grapes that they process (i.e. from both the Glenora and Cambridge sites). A contract winemaker is responsible for processing and they have distributors for the eastern cities of Australia and overseas. By comparison, this ESACE employs significantly more employees than the other two ESACEs, with eighteen full-time employees and over 100 casuals. The male principal is the Managing Director and the business employs a Restaurant/Functions Manager and a Marketing Manager. Having said this though, the principal is very involved in the business.

Authenticity

As authenticity is a central concept of the study, the principals were asked to define the term. The Cheese SACE stated that is meant “true to stereotype”. This can then be linked back to their self-categorisations and descriptors such as “hand-made”, “boutique”, “hands-on”, and “evolving cheeses around the milk”; reinforcing self identification with the cottage industry and artisanal labels.

For the Berry SACE, the idea of an authentic food product is that the product is what it is reported to be. That is, instead of a jam having more sugar than fruit (having mentioned a larger enterprise’s products); it has more fruit than sugar. The principals explained, “we’re selling on our fruit, you know, on the flavour of our fruit, the naturalness of jams.”

“Care”, “soul”, “naturalness”, “as quality as possible” were all descriptors used when explaining what makes the Wine SACE’s product authentic. The female principal stated a couple of times in the interview that different people have different perceptions in relation to a number of issues, such as authenticity.

TABLE 5.10: SELF-DEFINITIONS OF AUTHENTICITY

	Cheese	Berry	Wine
SACE	Authentic means true to stereotype and I don't think that defines cottage. There are a lot of large businesses that create cheeses that are true to stereotype.	It's what it's based on; What it is supposed to be; When we make raspberry jam we use raspberries, rather than sugar as the main product; It is what it says.	What makes our product authentic is that we grow our grapes with great care; But I suppose when you put a bit of soul into it, it is authentic; Mentioned moving over to organics (not certified) – less chemicals, additives etc; Want it to be as authentic and natural and as quality as possible; What you perceive as authentic and what I perceive to be authentic are two different things.
ESACE	...ours is a traditional way of cheese making; They don't use certain equipment to make cheese (ultra-filtration) and that's not a traditional way of making cheese as in getting your culture, your rennet, cupping the curd and draining it. It's a whole different process.	Products are produced on-site; Raw products either grown or selected by producer; Authenticity carries with it a feeling that you take considerable personal care in the preparation of the product, hence you can vouch for its qualities.	Points to vineyard and tractor working outside; Customers can see the winery and vineyard from restaurant/cellar door etc.; Important for people to feel connected to vineyard; If set up on a farm with no vineyards around and selling wine and calling ourselves a winery, it just wouldn't have that authenticity.

The Cheese ESACE considered their products to be authentic because the method of production is more closely aligned with the traditional way of making cheese (i.e. versus machines). This was expressed by the female principal's statement that:

There is a way of making cheese, what they call ultra-filtration, where they've got a very fancy piece of equipment that really dehydrates the milk so you've got all the whey and everything actually dehydrating into the milk itself and that's not a traditional way of making cheese as in getting your culture, your rennet, cupping the curd and draining it. It's a whole different process, so that's why I say ours is a traditional way of doing it.

For the Berry ESACE, authenticity was more about taking “considerable personal care in the preparation of the product”. That is, the raw agricultural produce is either grown or selected by the processor and made on-site with care. As a result, the processor “can vouch

for its qualities”. The principal of the Wine ESACE pointed to the tractor working in the vineyard at the front door of the restaurant and the winery when asked about authenticity. It was explained that “if this was set up on a farm with no vineyards around and selling wine and calling ourselves a winery, it just wouldn’t have that authenticity.”

Quality

Finally, the case studies were asked to define quality (see Table 5.11 and 5.12). The Cheese SACE’s reply did not go past the physical criteria of the cheese product (such as texture, flavour, body). The Berry SACE’s definition of quality went beyond physical criteria and suggested that it included such characteristics as “no hidden traps” and “what you see is what you get”. The level of care and control over the fruit from beginning to end was also seen a core component of quality. The construction of quality in the Wine SACE was, once again, mostly connected to the physical attributes: flavour, balance, longevity and vitality. Bringing “joy” to the consumer was also seen as part of a quality product. Despite referring to “care” throughout the interview, care was not used to describe quality.

TABLE 5.11: CONSTRUCTION OF QUALITY IN THE SACES

Cheese SACE	Berry SACE	Wine SACE
The cheese has to be true to type; Rating category of cheeses that there is required on texture, body, flavour, etc for each different cheese type, so you need to meet the criteria.	What you see is what you get and there is no hidden traps; I think care is a good word; You care about the way the fruit’s grown and everything that happens to it after that – that’s the difference between us with our fruit on the farm versus someone who buys it in. There’s no real guarantee they’ll get the quality they’re expecting...	I suppose flavour; It’s got to have balance; It’s got to have longevity; It’s got to have vitality; It’s got to bring joy.

The Cheese ESACE referred to a quality product as one that always tastes the same. This appears to contradict the entire philosophy held by many of these processors, where a product fluctuates with the differences in the raw produce (as opposed to standardisation). Quality was mostly associated with the characteristics of the physical object, such as bacterial count and pleasing to the palette.

Quality has two aspects for the Berry ESACE: the first is physical characteristics (e.g. taste, consistency, and colour) and the second is “provenance”. For the male principal, provenance refers to the producer’s ownership of the product and transparency. That is, the consumer knows who produced it and it can be “trust[ed]” for its quality.

TABLE 5.12: CONSTRUCTION OF QUALITY IN THE ESACES

Cheese ESACE	Berry ESACE	Wine ESACE
Quality is continuity so that it’s always tasting the same; Quality is that it’s got a very good bacterial count, you know, laboratory testing, that it tests up to the standard and it’s pleasant; It’s pleasing to the palette	Quality has two aspects in my view: one is things like taste, its consistency, its mouth feel, colour; and provenance, in other words ownership; There is a quality aspect in knowing who produces it and having trust in the producer.	It’s free of faults; It’s also interesting to drink, because we are getting a lot of wines now that are fantastic wines, but they’re not interesting to drink. In other words, year after year, they have a sameness about them.

The physical object and its characteristics were also the descriptors used by the principal of the Wine ESACE to describe quality wine (i.e. free of faults). The principal also suggested that to be of quality, the wine had to be “interesting to drink”, which meant that there was not a “sameness” about them year after year.

Section IV: Additional Data

Factors that promoted success within the enterprises

When the principals were asked what they considered to be the most significant factors that had helped their business, a diversity of answers were provided (see Table 3). The Cheese SACE considered the \$110,000 dollar grant, awarded by the federal Rural Industries Research and Development Corporation, a significant factor. This grant

TABLE 5.13: FACTORS THAT PROMOTED SUCCESS WITHIN THE ENTERPRISES

	Cheese	Berry	Wine
SACE	-won grant of \$110,000 from RIRDC -won Rural Woman of the Year received \$15,000 for travel	-the course female principal undertook - “Just getting it right, you know, the marketing and the product, yeah, just getting it right.” -”It takes persistence.”	-Only expanding gradually and not going into debt to do it
ESACE	-consumer acceptance of goat cheese -selling to South Cape while establishing business -won a grant of \$93,000 from New Industries Development Program for Yopet	- expansion of tourism industry in Tasmania - change of emphasis from PYO to tourist attraction -only expanded when tourist product proved in the market place	-having adequate finance to expand -well structured mgt group (good employees) -Passion for the product

provided them with the finance to build the tourist-friendly cheese factory and farm gate, rather than a tin shed. Since interviewing the Cheese SACE, the female principal won the Tasmanian Rural Woman of the Year (\$15,000), which is to go towards travel to gain intellectual property on sheep milking and cheese making. Their previous business backgrounds have also been a significant factor in promoting success.

For the principals of the Berry SACE, the factors that were considered to have promoted success were the Rural Office Practice course, time and patience. The Wine SACE suggested that gradual expansion of the business, only when capital allowed (rather than borrowing), had been one of the significant factors in the success of the business. They also suggested that it was “just being in the right place at the right time” but the examples provided were more of a demonstration of their business savvy.

The Cheese ESACE stated that the increased consumer acceptance of goat cheese was the number one factor that had helped their business along. Despite this, the female principal

stated that consumer aversion to goatmilk products persists more in Tasmania (their main target market) than interstate. The other significant factor was the selling of their product to another large company (under the other's label) which has a national distribution. The \$93,000 grant, mentioned previously, did assist somewhat. However, because the funding had to be matched dollar for dollar and because the product is struggling, the grant "greatly stressed the business".

The "expansion of tourism activity" in Tasmania and a shift in emphasis from a Pick-Your-Own to a tourist operation were highlighted as factors that had assisted the success of the Berry ESACE. Just as was stated by the Wine SACE, the Berry ESACE considered the gradual expansion of the business, rather than borrowing finance, was a factor that had promoted success. It was also suggested that they "would not have been comfortable in a very rapid expansion of the product that really needed to be proved in the market place."

For the Wine ESACE, adequate finance, "a well structured management group", good employees and working on the business (WOTB), rather than working in the business (WITB), were stated as factors contributing to their success.

One additional factor that was mentioned a couple of times throughout the interviewing was the fact that consumers do not mind waiting for a product to come into season. This phenomenon is situated in opposition to the view that your product has to be supplied year round to keep a customer base.

Factors that inhibited success within the enterprises

Alternatively, the factors that were said to have hindered the business were more industry-specific than those that had assisted the business (see Table 4). The lack of intellectual property in Australia and worldwide and the lack of access to existing intellectual property were viewed as the most significant factors that inhibited success within the Cheese SACE; as the following interview passage demonstrates:

In terms of the cheese making, sheep milking, what has hindered us is very much a lack of access to intellectual property. We've had to create our own. There is no one in Australia that I can talk to about milking sheep. There is no one in Australia, apart from my cheese lecturer, that knows anything, and is willing to share it with me about making sheep cheese. Sheep cheese, sheep milk is vastly different then cowmilk to make cheese out of.

TABLE 5.14: FACTORS THAT INHIBITED SUCCESS WITHIN THE BUSINESS

	Cheese	Berry	Wine
SACE	<ul style="list-style-type: none"> -Lack of Intellectual Property on sheep milk and sheep cheese making and organic dairy sheep in Australia -Lack of access to IP outside of Australia on the above issues -Veterinarians willing to work with an organic sheep dairy 	<ul style="list-style-type: none"> -Labelling under the new food safety regulations -GST -Others not knowing how to handle raw product -Access to finance -Sourcing labour -Weather -Interests different to agriculture department 	<ul style="list-style-type: none"> -Weather -Time needed to build business -WET tax
ESACE	<ul style="list-style-type: none"> -Food safety regulations; -No one knew how to handle the raw product, which is how they got into it; -Finding a cheese maker who is skilled in goat milk and non- mechanised production, being able to match the wages they pay in big factories; -Access to finance; -Getting product into the marketplace initially; -Lack of cash to actually buy equipment 	<ul style="list-style-type: none"> -Time taken to establish production techniques given raw product availability -To introduce and establish products in the marketplace -Sourcing skilled labour a huge problem 	<ul style="list-style-type: none"> -WET tax is the major impediment to expansion -Problem with planning regulations and infrastructure, which was expensive

The Cheese SACE stated that in their first season there were times where it was at a “make or break” stage and it was all to do with the amount of knowledge they possessed. In terms of overcoming these factors, they found a couple of internet chat rooms where knowledge could be shared; they joined the British Sheep Dairy Association and talked with a couple of New Zealand farmers. The other factor mentioned was the lack of veterinarians willing to undertake work on an organic basis.

Apart from the weather, the Berry SACE suggested that others do and did not really know how to handle the raw product in relation to care of the fruit, particularly the very large chain retailers. Another problem was that because the fruit was so unique to the area, no one knew anything about it: a reason for getting into jam making. The principals mentioned that growing different types of fruit meant that the local agricultural department did not know much about their product and that “their interests and our interests and each other are just sort of separated. They see us as doing weird things”: one of the reasons given for the lack

of support. The new labelling regulations were described as a “nightmare” by the Berry SACE. They were concerned about the labelling of percentages of ingredients and giving away their secret recipes that had taken a lot of time to perfect. The introduction of the Goods and Services Tax (which requires significant paperwork) and access to finance were considered to be “constant” problems. On and off, over the years, sourcing of labour had also been a problem.

Another factor for the Berry SACE, which one would imagine is only going to intensify given current trends, was the mention of one retailer who required the presence of an official *Hazard Analysis Critical Control Point* (HACCP) plan. The principals suggested that to implement the plan would have been at “major, major costs to us” so they no longer supply this retailer. They have developed their own food safety program in line with the requirements of the local health department and, currently, the rest of the retailers are quite happy with this. For the Wine SACE, apart from the Wine Equalisation Tax (WET) which is the most significant issue for many wine producers in Australia, the weather and the time needed to build the business were the only inhibiting factors.

Adhering to the food safety regulations (i.e. the HACCP plan) and finding cheese makers who are qualified in goat’s milk, rather than cow’s milk, have been significant problem areas for the Cheese ESACE. Furthermore, it was explained that many skilled cheese makers, who come out of big factories, “don’t take kindly to not being able to push buttons.” Access to finance, getting the product into the marketplace initially and the lack of finance needed to buy the required equipment, were all cited as factors that had inhibited the success of the business.

The time needed to experiment, the lack of raw product to experiment with, and the need to firstly establish a berry liqueur market were seen as limiting factors by the Berry ESACE. As a result of the need to establish a market, the male principal (a Rotarian) initiated the Tasmanian Fruit Wine Show and Festival in 1990. He suggested that this “had a significant impact on local appreciation of fruit wines and fruit liqueurs and similar products.” The other major problem found was sourcing skilled labour (i.e. kitchen and sales experience) from within the district.

Like the Wine SACE, the Wine ESACE suggested that, “one of the big issues confronting us is the WET tax, which is a major impediment to us expanding our business: the glass ceiling in effect.” The other factor that had inhibited the business was planning legislation whilst building the establishment. This turned out to be very costly for the business.

Chapter 6

The Artisanal Cottage Industry and Its Development: Meaningful identities and development models.

Introduction

In a global food economy that has experienced crises in matters related to food safety, eco-social degradation and fraudulent claim-making (e.g. greenwashing campaigns), there are increasing calls for labels (identities) that can be confirmed as valid. These global trends have already impacted the local, smaller food processor and continue to do so. Stricter food safety regulations are a prime example. If these smaller processors are to compete with both import replacements and exports, and to survive, there is a need to be aware of such implications.

One such phenomenon embedded within this context is the informal labelling of enterprises as artisanal, cottage industries. It has been shown that even the expanded enterprises are regularly labelled as artisanal and cottage units. Noting that informal labelling refers to the lack of third party validation or certification, the question here is whether these informal labels/identities are meaningful? Self-definitions, self-categorisation, and a comparative analysis between the small-scale agricultural cottage food enterprises (SACEs) and the expanded small-scale agricultural cottage food enterprises (ESACEs) will assist in exploring Research Sub-Question 1.1 and will also establish the similarities and differences that exist between the SACEs and ESACEs. An exploration of the meaningful characteristics will reveal, in part, the development model with which these enterprises align, and the implications of ascribing to this type of development will be discussed. Thus, this chapter explores two research sub-questions: *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?* and *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?*

The first section examines the appropriateness of the artisanal cottage industry label by investigating the SACEs and the ESACEs, whilst the second section examines the development model with which these enterprises are aligned. The exploration of the development of this industry and its association with a particular development model are investigated throughout the discussion chapters.

The Appropriateness of the Artisanal, Cottage Industry Label

This section will initially present self-categorisations and self-definitions provided by the enterprises. Subsequently, the defining characteristics of a cottage industry, as developed from the literature, will be applied to the enterprises under study and examined for their appropriateness.

Self-categorisation as a Cottage Industry

It was found that, amongst this group of enterprises, many categorised themselves as cottage industries, yet a diversity of categorisations were offered (Table 5.6). For example, within the SACE case studies *self-categorisations* included an “absolutely”, “yeah, I suppose so”, and a “no”; whilst the three ESACE case studies considered themselves cottage industries before expansion, the Berry ESACE still categorised its enterprise as a cottage industry “in terms of jams, etc. production.” The Wine ESACE considered themselves to be a cottage enterprise before expansion, despite them suggesting that because they “did have permanent outside employees” it might have not supported their alignment as a cottage industry. Thorpe Farm (i.e. Tasmanian Highland Cheeses) “definitely” saw their business as a cottage industry. These self-categorisations revealed the uncertainties and contestations that exist over the term, which is partly explained through their self-definitions outlined in the following section.

Self-Definitions of the Cottage Industry Label

The *self-definitions* provide some explanations as to the diversity amongst the self-categorisations (see Table 5.7). Many definitions aligned somewhat with the defining characteristics from the literature. For example, the Cheese SACE referred to small-scale, employees less than five, hand-made and hands-on (i.e. similar to the category of owner being investor and labourer). The Berry SACE cited a cottage enterprise as one that is home-based and is associated with the methods of production (i.e. artisanal/hands-on). Interestingly, they also described a cottage enterprise as one that can be more of a supplementary income provider rather than a full income provider. The Wine SACE furthered this by saying that a cottage enterprise was one that was undertaken on a part-time basis, was not a sole income earner, and the couple or family carried out business operations after hours (e.g. weekends). A common theme running through the ESACEs’ self-definitions were the use of the principal’s own labour, doing everything themselves and not employing staff. However, in saying this, it was also stated that even if the industry used off-site facilities in a minor way, it was still a cottage

enterprise. Furthermore, despite suggesting that a cottage industry did not employ external to the family, it could still be classified as a cottage enterprise if an occasional worker was employed. Thus, the diversity in self-definitions can partly explain the range of self-categorisations that were provided. While there were common characteristics within most of the self-definitions, there were also many exceptions and differences.

Adding to the differences in self-categorisations and definitions were the key informant's comments. It became increasingly clear that many of the key informants interviewed during the study were unable to offer a clear definition of the cottage industry concept. Instead, the key informants offered definitions that shifted throughout the interview. For example, one knowledgeable referred to "a multinational cottage-type industry". This certainly is a contradiction in terms, yet it demonstrates that those who know the industry see something in the larger enterprises that are present in the smaller ones. Furthermore, during the interviews, some altered their definitions as I was speaking with them. This most notably occurred when providing definitions regarding the number of employees. One knowledgeable referred to the Wine ESACE (a larger business) as being a cottage industry, which challenged their earlier definition that they could not own other enterprises. Another knowledgeable referred to the geographical confinement of activities and provided an example of a cottage food industry that I, as a researcher, would have positioned as an ESACE. Moreover, during the study, only one participant displayed hesitancy at the appropriateness of the identity (out of all the participants and non-participants). On the contrary, even the larger enterprises were identified as cottage food industries.

In summary, it has been demonstrated that the informal *cottage industry* label is an identity that is attached by the enterprises themselves and by external actors. The above exploration has shown the level of diversity and confusion that surrounds this concept. The lack of knowledge over what a cottage industry is can, in part, explain the categorisation of enterprises as cottage industries that have obviously expanded past the cottage industry size. However, it is proposed that the labelling of expanded enterprises as cottage industries can be partly explained by looking beyond the structural or physical characteristics to features that are intangible and which assign in-group membership, as the following describes.

By self-categorising or by others labelling these units as cottage industries, the enterprises are being aligned with a group. In-group membership (or "group

commitment”) occurs through defining “their identity in relation to other relevant groups in situ” and “derive[ing] their meaning from a particular social context” (Ellemers et al., 1999, p.1). It is suggested that the in-group membership of the cottage industry opposes the out-group membership of those enterprises positioned within the industrialised agri-food system and the associated negative issues (such as intensive chemical use, spatially produced and anonymity, lack of producer-consumer interaction, mechanised versus labour intensive, lack of care and time taken). In this respect, it is suggested that there are a number of processors’ *intangibles* that inform in-group membership for all of the enterprises under study. The use of the term *intangible* refers to the expression of the processors’ values and beliefs. That is, the expression of the processors’ values and beliefs is potentially manifested in various ways. This expression can possibly be evidenced in production methods, the types of social relationships that surround production and consumption, and ultimately in the final product.

The intangibles that are present in both the small and large scale units and which inform group membership include:

- Care and time taken – care for how the raw agricultural product is produced and the way it is processed;
- Social interaction with customer – face-to-face relationships;
- Passion – for producing the best product that they can;
- Knowledge – intimate knowledge of the raw produce, the land, the processed product;
- Trust – consumers trust how it was produced and who produced it;
- Respect – for the land and consumers;
- Creativity – achieving difference, uniqueness, taking the time to work with the different climates and landscapes; and,
- Expression of place.

It is suggested that these intangibles are manifested and embodied in the enterprises’ products and, in part, are situated in opposition to those seen in the industrial agri-food system. It is acknowledged that although there is no clear cut dichotomy, there are obvious differences: for example, anonymity in the industrial agri-food system, as

opposed to face-to-face relationships; time taken in the processing of a product versus machine use for efficiency; and a certain level of creativity in the processing of a product that a machine cannot attain. All of these intangibles are expressed in the resultant product.

In supporting Granovetter's (1985) thesis, it is suggested that the acknowledgement of these intangibles recognises that all economic activities are embedded in the social. For these enterprises, there is much more to business than just structural characteristics, such as being small in terms of the number of employees or the units produced. As Vanclay (2004, p. 213) says of farming, food processing "is a socio-cultural practice rather than just a technical activity". Perhaps the principals do not specifically draw on the processors' intangibles when explaining a cottage industry because it is not part of a dominant economic discourse. Nevertheless, these intangibles ultimately value-add and have social, environmental and economic ramifications.

An additional consideration regarding the intangibles is that of the potential non-alignment with the 'conventionalisation thesis'. Although referring specifically to organic agriculture, conventionalisation relates to the notion that "organic farming is becoming a slightly modified version of modern conventional agriculture" (Hall and Moggyorody, 2001, p. 399). That is, organic farming is beginning to resemble conventional agriculture in a number of ways ("socially, technically and economically"), such as labour being replaced by mechanisation, enterprises focusing upon exporting as opposed to local sales, and small-scale farms increasing in size (Hall and Moggyorody, 2001, p. 399). As Lockie and Halpin (2005, p. 284 - 285) suggest, "conventionalisation refers to a process through which organic agriculture comes increasingly, as it grows, to resemble in structure and ideology the mainstream food sector it was established in opposition to."

Darnhofer (2006) suggests that conventionalisation can be akin to "modernisation", where farms become larger, where there is more dependence upon off-farm inputs (such as mechanisation and chemicals), and where resources are replaced (such as labour for capital). A concern is that those arenas in which there is more value, such as organics, are at risk of being taken over by agribusiness, which would desert the sustainable practices linked to organics (Buck *et al.*, 1997). This taking over by agribusiness would thus lead to organics resembling the conventional farming model (Guthman, 2004).

The jury is still out on whether conventionalisation in organics is actually occurring. Coombes and Campbell (1998, p.130) “refute the tendency in recent organics research to regard these processes [i.e. conventionalisation] as both universal and universalising”. As Darnhofer (2006) suggests, the evidence thus far indicates that the development of organic farming differs from area to area.

In relation to this study, however, there are two pieces of data gathered from the fieldwork which are pertinent to the conventionalisation thesis: albeit artisanal food production. The first piece of data is that the expanded enterprises still strongly ascribe to most of the intangibles. The second is the usage of the term “multinational cottage-type industry” by a key informant. Although preliminary, this suggests that the expanded enterprises under study could potentially be more alike than different to the small-scale enterprises and that they do not come to ‘resemble’ industrial agri-food processing units as they expand. This phenomenon will be explored further throughout the discussion chapters.

The Meaningfulness of the Defining Characteristics

In this section, a systematic analysis (i.e. from the researcher’s perspective) of the meaningfulness of the informal cottage industry identity is considered by applying each of the defining characteristics, as developed in the literature review, to the enterprises under study.

Defining Characteristic #1 – Location of Business

A common defining characteristic of a cottage industry is one that is either “carried on at home” or is “home-based” (EPAT, 2003; HyperDictionary, 2000–2003; Investorwords, 1997–2003; The American Heritage Dictionary of the English Language, 2000). The developed definition for this defining characteristic is where the bulk of the business activities are either carried out on-site (not necessarily in the home) or near the principals’ place of residence. Noting that this was one of the main selection criteria, this characteristic is meaningful. All three SACEs processed in buildings external to their home but still on-site, whilst all of the vignette industries processed on-site. Thus, in regards to the SACEs and vignette industries, the defining characteristic of location is meaningful.

When it was still a SACE, the Berry ESACE processed in an off-site commercial kitchen but now processes all of its products, except the wine and liqueurs, on-site. The Cheese ESACE initially processed in their home kitchen, but now processes in a factory

in town. Meadowbank (the Wine ESACE) does process in a nearby facility, however the business is well removed from the principals' place of residence. It is suggested that because the Berry ESACE processes all but wines and liqueurs on-site, the location defining characteristic is still somewhat meaningful.

Defining Characteristic #2 – Employees: Number, Seasonality and Family Membership

Often a cottage industry is described in terms of its number of employees (not including the principals themselves), suggesting that such an enterprise employs between one and three and/or does not exceed five (EPAT, 2003; WBI, 2003a), ten (WBI, 2003b) or fifteen (SSIC, 2003). Other definitions included the use of seasonal labour (WBI, 2003a) and that labour is carried out by family members or relies entirely on family labour (HyperDictionary 2000–2003; RIRDC, 2003; The American Heritage Dictionary of the English Language, 2000). Thus, the developed definition for this defining characteristic is that primary labour is carried out by owner-operators or family, and additional labour is required on demand only or for specialist tasks.

In regard to all of the enterprises under study, primary labour was carried out by the owners-operators who are family members, and additional labour is sourced on demand only or for the more specialised tasks. In relation to *family members*, in all of the industries under study the principal labour in the business is carried out by either one principal or the husband and wife team, with additional labour as required. This sits in opposition to the idea that the principals hire a manager or that there is significant division of labour occurring. As such, this defining characteristic is meaningful as applied to all of the enterprises under study.

In regards to the *number of employees*, the Cheese and Berry SACEs do not employ over five staff members, whilst the Wine SACE often employs more than five but less than ten staff, predominantly on an as-needed basis. In regards to the vignette industries, only Tasmanian Highland Cheeses hired employees (two part-time staff) directly related to processing. Additionally, the Berry ESACE fits within this characteristic, whilst the Cheese ESACE aligns with this defining characteristic most of the year (except for the Christmas rush). Thus, the defining characteristic of the number of employees is meaningful as applied to the vignettes and SACEs, and somewhat meaningful as applied to the ESACEs.

Related to employee numbers is the defining characteristic that *additional labour is required on demand only or for specialist tasks*. For these agriculturally-based businesses it stands to reason that additional labour is required due to the seasonality of locally produced fruit and, in relation to the cheese enterprises, the need for additional units during festive seasons (such as Christmas). Furthermore, the hiring of employees for specialist tasks only, such as the processing of wines and liqueurs in the Berry ESACE, is an appropriate defining characteristic. For those enterprises that do hire staff, the defining characteristic of seasonality is appropriate.

Defining Characteristics #3 and 4 – Owner is Investor and Labourer; and Local Ownership

One characteristic used to define a cottage enterprise in the literature was that the owner is investor and labourer (SSIC, 2003). This characteristic sits in opposition to the owner/provider of capital not being involved in the business and employing a manager. The principal has invested in the business and also provides the labour for the business. In all of the enterprises, the principals have invested in and are primarily responsible for operating the enterprise (that is, they are owner - operators). Local ownership is an additional defining characteristic that featured in the literature (BRS, 2002). Local ownership aligns with the owner being investor and labourer. The participating enterprises are locally owned and the capital used in the business is not from interests external to the region. As such, these defining characteristics are appropriate to the enterprises under study.

Defining Characteristics #5 and 6 – Significant Added-value and Not Mass Produced

One characteristic used to define a cottage industry was that added value was more significant in the cottage industry (WBI, 2003a). Apart from the processing of raw agricultural produce adding value to the product, these industries have a high intellectual content in that they have a diverse range of meanings and characteristics that can be attached to the products and used in value-adding. Some of these meanings might include the intangibles already referred to (such as care or social interaction between producer and consumer), the structural characteristics (such as low volume production), and the unusual (for Australia) and innovative raw agricultural produce and food items that are being produced (such as goatmilk and sheepmilk products). More specifically, the transparency of the principals' values and beliefs, how they processed the product, and where the raw produce came from, facilitates value-adding potentialities. In reference to "more significant", it is suggested that this phrase refers to

the notion that cottage industry products have considerably more value-adding potential than a food product with a low intellectual content or characteristics for which consumers are unwilling to pay premium prices, such as mass produced food items. In this respect, the characteristic of significant added value across all of the industries under study is meaningful.

Another defining characteristic of a cottage industry developed from the literature is that the processed food items are not mass produced. Mass production refers to “a production system [which is] characterised by mechanisation, high wages, low prices, and large-volume output” (Hounshell, 1984, p. 305). Three factors that are relevant to the enterprises under study and demonstrate that the food is not mass produced, are the use of mechanisation, low prices and large volume. Despite using mechanisation, the labour ratio involved in the processing of the enterprises’ food items is lower than is seen in mass produced items, as will be shown below in the analysis of artisanality. The industries’ products are by no means large in volume, with economies of scale not being reached. All of the enterprises, including the ESACEs, produce relatively small amounts of product. For example, the Cheese SACE runs 80 sheep/16 hectares and produces approximately 1.5 tonnes of cheese annually. This is insignificant when compared with the larger processors who, as the female Cheese SACE principal states, can process up to “ten, twenty tonne a week”. The Berry SACE only has 2.5 hectares of berries that are processed. For the Wine SACE, the divergence between high volume and low volume production was expressed in their goal of being producers of hand-crafted wines rather than beverage producers:

Where we were we had the opportunity to grow a volume business, but you’re growing a commodity ... That was sort of our goal, was to be, I suppose, producers of hand-crafted wines, rather than beverage producers: alcohol beverage producers, which is what we would consider ourselves if we were to stay in the Riverland area.

In regards to the low prices component of the definition of mass production, this relates to the previous discussion surrounding the significant levels of added value that these products attain and is meaningful. Thus, the two defining characteristics of significant added value and not mass produced are meaningful as applied to the enterprises.

Defining Characteristic #7 and 8 – Sell Only Locally and Sell Directly to the Public

One defining characteristic that was associated with the cottage industry was the selling of the product only locally or directly to the public (RIRDC, 2003). The use of the term ‘locally’ here refers to product sold within Tasmania. In regards to selling only locally, two of the three SACEs (i.e. the Cheese and Berry) align with this description, whilst the third (the Wine SACE) sells small amounts nationally and internationally. All of the vignettes, except for Tasmanian Highland Cheese (which sells to the mainland), only sell to local markets. Thus, overall, this is somewhat meaningful for the SACE and vignettes; however, the majority of the vignette and SACE products are sold within local markets.

For the ESACEs, the Berry unit sells an insignificant proportion outside Tasmania. The Wine ESACE principal suggested that they do export to Canada and Denmark and eastern cities in Australia; however, they have “a fairly significant distribution within Tasmania.” The Cheese ESACE sells to Coles, IGA, Woolworths, health food shops and anywhere else they can get their product sold within Tasmania. They also sell their product to King Island Dairy, which then sells under the South Cape label. Thus, for the ESACEs, the defining characteristic of selling only locally is not meaningful but the bulk of their product is sold locally within Tasmania.

Another defining characteristic from the literature is that of selling directly to the public (RIRDC, 2003). The Cheese SACE does offer farm gate sales (i.e. direct selling). For the Berry SACE, farm gate/direct selling is not an option because of their isolated farm location, but occasionally they sell at markets and festivals. Direct selling occurs for the Wine SACE via the cellar door. All of the vignettes, except for Tasmanian Highland Cheeses, sell some portion, if not all, of their product through direct selling methods. Tasmanian Highland Cheese is currently off the tourist trail but it was suggested that if they were able to, they would be offering direct selling, to the extent that they were considering moving to a tourist trail. Direct selling is also applicable to each of the three ESACEs. The Cheese ESACE offers factory door sales, the Berry ESACE has a farm gate which is the fruit centre/café, and the Wine ESACE has a cellar door and restaurant. Thus, for all of the participating enterprises, direct selling is a meaningful characteristic.

DC#9 – Using Own Equipment

Use of their own equipment was referred to as a defining characteristic in the literature (HyperDictionary, 2000–2003; The American Heritage Dictionary of the English Language, 2000). This was certainly the case for those enterprises that processed the products themselves. For example, the Cheese SACE stated that they “were fortunate to be able to find most of the equipment we needed relatively easily, but we did have to design our own cheese vat and have it specially fabricated for us.” The milking equipment presented a challenge and the couple were assisted by another farmer: “with a few modifications and a crash course in welding (as well as the invaluable help of friends!), we managed to design and construct our own milking stand which works really well” (Grandvewe, 2003, website).

The Berry SACE’s processing kitchen is similar in size and mechanisation to a domestic kitchen and all the equipment is their own. The Wine SACE transported all the winemaking equipment over from the male principal’s parents’ business on the mainland. All the vignettes use their own equipment in processing. The Berry ESACE currently employs an off-farm contract winemaker but processes the jams, and chutneys in the fruit centre, whilst the Cheese ESACE leases a factory. Thus, where each of the enterprises managed their own processing, the use of their own equipment is a meaningful characteristic. For those that employ contract winemakers, this defining characteristic is not applicable.

DC #10 – Lower Levels of Machine Use

A lower level of machine use is another defining characteristic of a cottage industry. This suggests that there is a higher labour ratio involved in processing the food item and was referred to previously as a factor of mass production. All of the enterprises under study are processed with a higher level of labour input than the mass produced item. This will be explored further in the artisanal defining characteristic below. For example, the Cheese SACE does use mechanised equipment but there are certainly lower levels employed. The Berry SACE is situated within this characteristic, with processing taking place in a domestic-looking kitchen, using equipment which looks more akin to a residential kitchen. For the smaller vignettes that process in their home kitchen, lower levels of machine use is unquestionably a meaningful defining characteristic. The idea of lower levels of machine use also extends to the ESACEs. For example, the Cheese ESACE’s reference to the difficulty in finding trained cheesemakers because

they are used to only pressing buttons rather than using their own labour in creating the product, demonstrates the lower levels of machine use. The Berry ESACE mentioned that one of the reasons they were not going to increase jam production was their lack of equipment to produce economies of size. Thus, all enterprises included in this study employ lower levels of machine use.

DC#11 – Artisanal Production Methods

Artisanality is another defining characteristic associated with the cottage industry (EPAT, 2003; WBI, 2003b). In relation to food processing, artisanality refers to the use of a low capital to high labour ratio in order to create the food item (de Roest, 2000). This is opposed to a mass produced item which has a high capital (e.g. equipment, inputs) to low labour input (mechanisation/ high levels of machine use). Based on the literature, three components of artisanality were developed (i.e. hand processing, artisanal business unit and product involvement).

Self-Categorisations and Self-Definitions of Artisanal

The SACEs and ESACEs categorised themselves as artisanal (Table 5.8). The Cheese SACE saw artisanal as a “creative concept”, which involved “evol[ing] cheeses around the differences in [the] milk” (Table 5.9). The female principal situated the artisanal component in opposition to the lack of human input where mechanisation is used and standardisation occurs. The Berry SACE suggested that artisanality was only a “perception” and was associated with being a “home made product”. For the Wine SACE, when asked to define artisanality, the female principal described their wines as “hand-crafted” rather than just beverage production and referred to the male principal’s “creative core”.

Despite the ESACEs having expanded, they still categorised their businesses as artisanal. Throughout the interview, the Cheese ESACE’s female principal referred to “hand-made”, “hand-cutting”, and each piece of cheese being handled ten times before it leaves the factory. The Berry ESACE had problems with providing a definition but when asked if the product was hand-made versus mechanised, the answer was a definitive yes. The male principal of the Wine ESACE emphasised his heavy involvement in decision-making despite employing a contract winemaker.

Thus, the hand-processing components of artisanality was referred to most frequently, with the product involvement to a lesser extent. The notion of an artisanal business unit

was touched upon briefly when the Cheese ESACE defined a cottage industry as one that was:

something like I was doing: milking goats myself, making products myself, selling it myself, doing a little shop around, run around the delis, selling my own product.

Interestingly, despite size differences, the variation in self-categorisations and self-definitions between the SACEs and ESACEs were negligible. It has been demonstrated that artisanal *is* a defining characteristic that these enterprises attach to their businesses and products. It was established that the self-definition of artisanality mostly aligned with the hand processing component. However, does a systematic analysis of each component reveal the identity is appropriate? The following section applies each of the components to the enterprises under study in order to discover if the artisanal identity/defining characteristic is a meaningful label.

The Meaningfulness of the Three Components of the Artisanal Defining Characteristic

Hand Processing

The most familiar component conceptualised when referring to artisanality is that of the hand processing component. Noting that the three components of artisanality were developed to assist in analysis, the hand processing element is situated as a dichotomy between the artisanal enterprise and the highly mechanised, mass produced, factory-line style of output. Artisanality occurs when “the direct manual contribution of the artisan remains the most substantial component of the finished product” (ITC, 2003, website) and where “mechanical means” might occur, but the main contribution is still manual (ITC, 2003, website).

The low level of machinery involved in processing demonstrates that there is a high labour component. There is significantly more human input in processing the food items in all the enterprises under study than in a conventional industrialised operation. Furthermore, for the Cheese SACE, the labour input is contributed by the principals themselves (i.e. “direct manual contribution” and “substantial”). Despite the use of machinery, processing is very much a manual, hands-on process. For the Berry SACE, the hand-processing component is a meaningful characteristic as there is low mechanisation involved (i.e. it is reminiscent of a domestic kitchen) and significant human input. The Wine SACE refers to “hand-crafted” and “labour intensive”, and

their motivation behind capping production at 200 tonnes is because the male principal would not be able to keep up his current level of human input during processing if they exceeded this volume. As mentioned previously, the notion of choosing to be hand-crafted rather than beverage producers also indicates that there is significantly more labour/human input than mechanisation. The motivation behind capping production indicates that it is the principals that are responsible for making a direct and substantial contribution to the processed item, rather than machines.

The hand processing component also applies to all of the vignettes, with perhaps the food items being produced more labour intensively than the SACE products. The majority of the vignette industries are one or two person operations and occur either in the home kitchen or domestic-type kitchens, which require significant labour. These kitchens are far from highly mechanised and it is the principals that supply all of the labour that is used to create the products. In the vignettes, the low capital to high labour ratio certainly demonstrates the appropriateness of the hand processing component.

In regards to the ESACEs, the notion of hand processing is still a meaningful defining characteristic; however, it is no longer the principal that is making the most substantial labour contribution to the item. The principal is still very much involved in the process and processing is still labour intensive, however, upon expansion the enterprises employ staff to carry out the processing and provide the substantial component of the labour input. The principals are still intimately involved in the production process, but theirs is now more of a knowledge/decision-making role rather than a labour input role. For example, each of the ESACE's products is produced with a substantial manual component. This is demonstrated in the Cheese ESACE by the handling of each 100 gram unit of cheese ten times before it leaves the factory; or the Berry ESACE's domestic-looking kitchen/low levels of machine use. There are certainly no factory-style, highly-mechanised, production lines and there still exists a low capital to high labour ratio. In this respect, the ESACE principals can be referred to as "*artisanal entrepreneurs*" and although they are not responsible for the substantial labour input into the processed item, they are still heavily involved in knowledge and decision-making surrounding the processing of the artisanal product (ITC, 2003).

Artisanal Business Unit

Another component of artisanality is the artisanal business unit, where the principals conduct a substantial component of the business activities themselves. The principals, as investors and labourers, are responsible for many of the business activities rather

than outsourcing. Examples include selling the product, distributing the product, account keeping, maintaining their website and growing the raw agricultural product that they use. The principals are therefore responsible for handling a substantial number of activities that are required for the business to be fully operational. In an increasingly complex society, this is perhaps a scenario that businesses strive for but often find difficult. For the purposes of this analysis, business activities refer not only to activities such as account keeping and advertising, but also to the production of the raw agricultural produce, distribution and sales.

The principals of the Cheese SACE have owned businesses in the past and both possess significant experience and knowledge. Collectively, with the male principal's solicitor experience and the female's experience of management, marketing and financial planning, they have a large pool of skills to draw upon. They are computer literate and drew up their own business plan and funding application, which led to a significant grant being awarded. Despite their knowledge and implementation of the current food safety legislation, they contracted a representative from the dairy authority to draw up a food safety plan. All production, processing, packaging and labelling is performed on-site. Overall, the principals are responsible for, and have handled, the majority of the business-related activities, including the establishment and operation of the business. As a result, this defining characteristic is meaningful as applied to the Cheese SACE.

For the Berry SACE, undertaking as many business activities as possible appears to be a necessity in order to reduce costs. The enterprise generates all of the raw agricultural produce, processes, packages and labels on-site. However, because farm gate sales are not an option, distribution to 15 smaller retail outlets around Tasmania occurs. The male principal constructed the enterprise's website, which is mostly used for advertising. Food safety regulations have been onerous and, at the time of this interview, the enterprise was in the process of complying with local health department regulations. Recently, one of the retailers had rejected their product due to the lack of the necessary food safety plan, and as this would have required "major, major costs" they simply dropped the retailer. Initially, advertising occurred at local markets and even now they go to shows and festivals to keep their name 'out there'. They have produced a couple of business plans and the female principal carries out the bookkeeping activities. The overall impression of this business is one that is very small, has minimal capital to outsource business activities and thus relies predominantly on themselves to run the business. The defining characteristic of an artisanal business unit is certainly a meaningful characteristic as applied to the Berry SACE.

The capping of production to avoid the need for another winemaker is viewed as an important factor in producing quality wines for the Wine SACE. They have an on-site winery where they process, label and package their entire product. They employ distributors for their national and international markets. The hiring of a “marketing person” a couple of years ago was also mentioned. The female principal now operates the enterprise’s website, which is set up for on-line ordering. Another business activity that the female handles personally is the cellar door sales. Out of all of the small-scale enterprises and vignette industries, the Wine SACE has the most employees; however, many of the business activities are still carried out by the principals, who are responsible for a substantial component of the business-related activities.

In regards to the vignettes, many of the businesses – such as Palmara, the markets, the food van brigade and the Old Murrumbidgee Post Office – produce the raw agricultural produce, process it, package it and then sell it (via direct selling). Other vignette industries do not produce the raw agricultural produce themselves (Tasmanian Highland Cheeses and sourcing of goatmilk from a local farm), employ distributors (Tasmanian Highland Cheeses), and sometimes use other retailers to sell their products (Norfolk Bay Convict Station). Overall, the vignette industry principals do, however, perform the substantial component of the business-related activities. In half of the cases, the vignettes are one principal operations where outsourcing services to conduct business activities is not necessary or is too costly. Thus, the defining characteristic of an artisanal business unit is meaningful as applied to the vignettes.

In relation to the expanded enterprises, it is logical to suggest that, as the business expands, more activities will be outsourced and/or additional employees will be required. In saying this, however, it has already been demonstrated that the principals of the ESACEs work full-time in the businesses and are heavily involved in decision-making. The suggestion that enterprise expansion may have demanded outsourcing to the extent that the ESACEs are no longer considered artisanal business units was raised by the Cheese ESACE’s female principal. She suggested that the self-definition of a cottage industry is “something like I *was* doing: milking goats myself, making products myself, selling it myself, doing a little shop around, run around the delis, selling my own product.” In other words, this statement aligned with the artisanal business unit component of artisanality and was no longer meaningful for the Cheese ESACE.

Noting that all of the ESACE principals are still heavily/intimately involved in decision-making, expansion meant that they were physically unable to carry out all of the activities and a number of services had to be outsourced. For example, the Cheese ESACE now hires distributors and the goatmilk is produced by nearby farms. The Wine ESACE also has distributors. The principals of the Berry ESACE are still responsible for a substantial component of business related activities, partly because a component of the raw agricultural product is grown, processed and sold on-farm. Despite expansion, the bulk of the business activities for the Berry ESACE are still extremely geographically confined, which is more conducive for retaining responsibility over the business activities. Thus, it is suggested that, overall, the artisanal business unit component of artisanality is somewhat meaningful as applied to the ESACEs.

Product Involvement

The product involvement component of artisanality refers to the artisans'/principals' involvement with the product from beginning to end. Product involvement encompasses the artisan's knowledge of the differences in the raw agricultural produce and the processing methods. In this way, the principal is able to work with and around the differences in the raw product. This sits in opposition to the notion of the specialisation of labour where the employee is only responsible for a particular stage of the creative process. As was the case with the other two components of artisanality (i.e. hand processing and artisanal business unit), product involvement is not a mutually exclusive category and the following discussion will draw on the analysis thus far.

All of the SACEs are intimately involved with product creation from the outset (i.e. production of the raw agricultural produce) to the end (i.e. processing). The Cheese SACE calls the sheep "the girls" and there is in-depth knowledge (albeit recently acquired) of the raw agricultural product, which is then carried through to the processing. In the Berry SACE, the principals could not be more involved in the product and product creation. The male principal stated that because they are "only processing a few tonne, rather than a few dozen or a few hundred tonne a year, yeah, we can just about identify every fruit." The female principal demonstrated this by saying that "Oh yeah, I remember that one. There's not many jam manufacturers who can say, *I know which dam bush that one came off*. Yeah, so that's a major advantage."

For the Wine SACE, who pride themselves on being producers of quality wine, product involvement is a must. This is evidenced by the care and attention paid towards the production of the raw agricultural product:

the basis that we start to make the wine from [i.e. the grapes] is really sound and we make the wine with less chemicals, less additives. Because of that, and because of the environment, the climate as well, we don't have to add acid.

Product involvement in the Wine SACE is also demonstrated by the involvement in every aspect of the business and the capping of production so another winemaker is not required.

The majority of the vignettes also align with the product involvement component of artisanality. As was mentioned, some of the vignette industries source raw agricultural product off-farm, yet intimate knowledge of the raw agricultural product is still present. For those vignette industries that do source all or part of the raw agricultural produce off-farm, it is usually sourced from neighbours or local farms, and the intimacy and knowledge of the product is still present.

Regardless of being heavily involved with decision-making and the business, all three of the ESACEs employ staff, in some capacity, to produce and process the products. However, it is the principals who are substantially responsible for decision-making and knowledge surrounding the creation of the product. The principals are still intimately involved. The Wine ESACE has a significant labour force and employs staff who are responsible for activities from the production of the raw agricultural produce (i.e. vineyard manager) to processing (i.e. contract winemaker). In saying this, however, it must be remembered that the male principal is extremely involved in decision-making and that it is a large operation. This is demonstrated by a quote from the principal who suggested that:

I'm heavily involved in the wine making process. I spend quite a bit of time over at Andrew's [i.e. the contract winemaker], you know, doing, assessing wine styles when the wines come out of barrel, how much residual sugar we'll be leaving in the wine, all these sort of decisions are made. Executive winemaker is a great title.

Thus, even though the principals' roles have changed somewhat in relation to no longer being responsible for the primary ('substantial') labour, in their capacity as "artisanal entrepreneurs" they are still extremely involved in the product and its development. As such, it is suggested that the product involvement component of artisanality is meaningful as applied to the ESACEs, but in a new role.

By applying the three components of artisanality (hand processing, artisanal business unit, and product involvement) to the SACEs, ESACEs and the vignettes, it was found that *overall* the artisanal defining characteristic of cottage industry is meaningful (see Table 6.1). For the ESACE case studies, it was shown that, despite changes in the principals' roles because of expansion, they are aligned with the notion of “artisanal entrepreneurs” and are heavily involved with product creation. Additionally, the products are still hand processed.

TABLE 6.1 THE THREE COMPONENTS OF ARTISANALITY AND THEIR MEANINGFULNESS AS APPLIED TO THE PROJECT'S PARTICIPANTS

	The Three Components of Artisanal		
	Hand Processing	Artisanal Business Unit	Product Involvement
SACEs			
Cheese	Yes	Yes	Yes
Berry	Yes	Yes	Yes
Wine	Yes	Yes	Yes
Vignettes	Yes	Yes	Yes
ESACEs			
Cheese	Yes, but not by principals. As such, this is not meaningful in respect to the definition of principal as artisan. The principals, however, are “artisanal entrepreneurs”	Somewhat	Yes, in their capacity as “artisanal entrepreneurs”
Berry	as above	Somewhat	as above
Wine	as above – principal is heavily involved in decision-making and knowledge input	Somewhat	as above

Summary: The Appropriateness of the Cottage Industry Label

The above analysis applied the defining characteristics of a cottage industry to the enterprises under study. This provided an examination of the appropriateness of the informal identity and investigated Research Sub-Question 1.1: *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?*

It was shown that, on the whole, the enterprises do align with the defining characteristics of a cottage industry. What is more, the vignette industries, SACEs and ESACEs do share *significant* commonalities (see Table 6.2 and 6.3).

A comparison between the SACE and ESACE case studies demonstrates that the only significant differences lie in the number of employees, the location of the business and their modified role as “artisanal entrepreneurs” rather than artisans. That is, upon

expansion, the Wine and Cheese ESACE shifted the location of their business, whilst the Berry ESACE remained on the same site and expanded the fruit centre. The Wine ESACE opened a second location and moved onto a tourist trail. The Cheese ESACE moved from the home to a leased factory. The other obvious difference between the SACEs and ESACEs is the need to employ staff and outsource more specialised labour upon expansion. Other than this, the defining characteristics of a cottage industry that were found to be meaningful were the *same* for the ESACEs as the SACEs.

TABLE 6.2: COTTAGE INDUSTRY DEFINING CHARACTERISTICS FROM LITERATURE AND MEANINGFULNESS IN RELATION TO THE SACE CASE STUDIES AND VIGNETTES

Defining Characteristics from Literature	Meaningful	Somewhat Meaningful	Meaningless
Location of Business (on-site)	x		
Employees:			
- Number	x		
- Seasonality	x		
- Family Involvement	x		
Owner is investor and labourer;	x		
Business is locally owned	x		
Added-value more significant than other sectors;	x		
Product not mass produced	x		
Sell <u>only</u> locally		x	
Sell <u>bulk</u> of product locally	x		
Sell directly to the public	x		
Use their own equipment	x		
Lower levels of machine use	x		

TABLE 6.3: COTTAGE INDUSTRY DEFINING CHARACTERISTICS FROM LITERATURE AND MEANINGFULNESS IN RELATION TO THE ESACE STUDIES

Defining Characteristics from Literature	Meaningful	Somewhat Meaningful	Meaningless
Location of Business (on-site)		x	
Employees:			
- Number		x	
- Seasonality	x		
- Family Involvement	x		
Owner is investor and labourer;	x		
Business is locally owned	x		
Added-value more significant than other sectors;	x		
Product not mass produced	x		
Sell <u>only</u> locally		x	
Sell <u>bulk</u> of product locally	x		
Sell directly to the public			
Use their own equipment	x		
Lower levels of machine use	x		

Coupled with the intangibles that were mentioned previously, the similarities that exist between the SACEs and ESACEs in relation to the defining characteristics of a cottage industry indicate that there are minimal changes upon expansion in the ESACEs. It can be stated that, amongst the enterprises in this study, their growth has not seen them more closely resemble conventional large-scale agri-food industries. Furthermore, the notion that the artisanal (i.e. the manifestation of the principals' values and beliefs in some instances) defining characteristic of a cottage industry is still meaningful and that they are not resembling highly mechanised, mass produced operations, suggests that the principals' values and beliefs have not been compromised. These findings offer some repudiation to the patterns that the conventionalisation thesis maintains – that, upon expansion, the cottage industries will resemble the economies of size industries in the conventional food system.

Following this depiction of the enterprises under study through the analysis of the defining characteristics of a cottage industry and the discovery of substantial commonalities existing between the small-scale and expanded industries, an exploration of the relevant development model will be presented in the following section. Thus, Research Sub-Question 1.5 is subsequently investigated: ***What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?***

Neo-Endogenous Development: Employing Culture, Creating Competitive Advantage

The exploration of Research Sub-Question 1.5 commences with the notion that the bulk of business activities in the industries under study is undertaken within a limited geographical area. It was initially shown that the activities carried out by the industries outlined in the vignettes in Chapter 2 were mostly undertaken within the sub-regional area. In regards to the case studies, despite some of the enterprises expanding and/or selling nationally and overseas, a significant part of the food chain is contained within the state, if not the farm. This was alluded to by the key informant, who suggested that one of the larger enterprises was still a cottage industry because:

You know, [they] had a property, [they] had some expertise, had a recipe book, employed local people, source produce from a reasonably wide area now, but still with that sort of local flavours.

It is perhaps this spatial confinement and the intense relationship with place (opposed to the multinational corporation that sources, processes and distributes across countries), that the actors are referring to when informally labelling the enterprises as cottage industries.

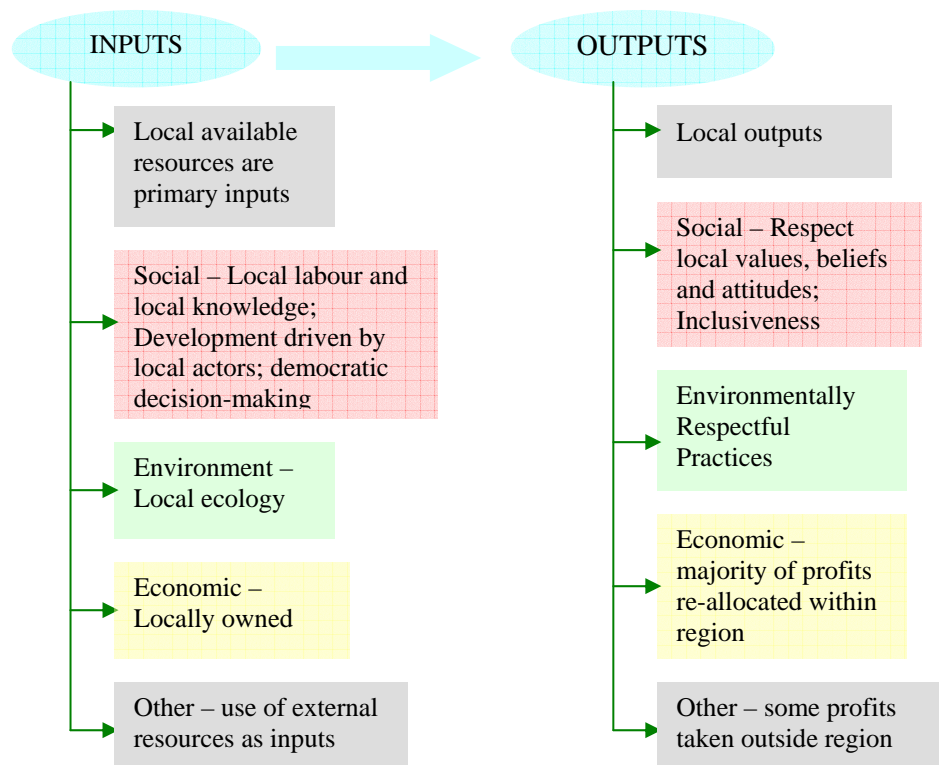
By fusing together the defining characteristics of a cottage industry that were found to be meaningful (from the previous analysis) and the space–place dimension, an alignment with the endogenous development model begins to emerge. Noting that endogenous regional development involves the use of:

though not exclusively ... locally available resources, such as the potentialities of the local ecology, labour force, knowledge and local patterns for linking production to consumption (van der Ploeg & Long, 1994, p.1).

For example, in many cases (including the ESACEs), the processing of the product is undertaken on-farm/on-site where the actual product has been grown (i.e. the use of local ecology). If raw product is sourced off-farm, it is often supplied by neighbouring or local properties. The employees are local and the businesses are locally owned. The bulk of the food product is often sold locally (but not only locally) and direct selling occurs where possible. In fact, it is direct selling or the face-to-face relationship between the producer and consumer that sets these enterprises apart from conventional agri-food production and sales. In relation to the artisanal components, the idea of product involvement relates to space and place, in that the principals are responsible for the products from beginning (place) to end (spatially bound). The idea of hand processing also sits in opposition to the mass produced, highly mechanised, economies of size operations that are often (but not always) related to geographical dispersion (inputs and outputs), and which have a high capital to low labour ratio.

Thus, the strong associations with space and place parallel with aspects of the ‘endogenous regional development’ (ERD) model (see Figure 6.1). Although this model is endogenous in name, it *does* recognise the links/networks that are external to the region (i.e. inputs and outputs) (van der Ploeg, 1999).

FIGURE 6.1: VARIABLES OF ENDOGENOUS REGIONAL DEVELOPMENT



Adapted from van der Ploeg, 1999

When compared with exogenous development the philosophy of ERD is reinforced. Exogenous development refers to development that is based/partly based on: external resources, such as ecology, labour and/or knowledge; is driven by actors external to the region; ownership is non-local; and profits are redistributed outside of the region in which the activities are undertaken. The most obvious affinities that exist between the ERD model and the enterprises under study are in the use of local resources (i.e. local ecology, local labour and local knowledge). Additionally, local ownership and the redistribution of profits locally align with principles of the ERD model.

The use of *local ecology* is a characteristic of ERD that is applicable to the enterprises under study. This contrasts with the agri-food sector that uses an external environment to grow the raw agricultural product and imports it into the region to process. Apart from a myriad of concerns (such as social and environmental degradation), the reliance on external regions, particularly in the industrial agri-food system, increases the likelihood that anonymity will occur. Rather than being a transparent process, who produced the product, how it was produced and the methods of production are unknown to the consumer. This increases the opportunity for consumers to unwittingly support socially and environmentally destructive food production and associated practice.

Furthermore, the lack of transparency or traceability, because supplies are sourced from a number of farms and possibly across countries, highlights concerns regarding food safety.

For all of the enterprises under study, the raw agricultural produce is grown right here within the region. Two of the enterprises (the Cheese and Berry ESACE) have expanded and now source raw agricultural product off-farm; however, all produce is sourced within Tasmania. The only exception to this is the use of pasteurised fruit (necessary due to the natural yeast on the fruit) that is used in the Cheese ESACE's yoghurt, which is "basically the only thing we buy out of the state ... simply because nobody's doing it here." The female principal said she had talked with local growers about providing pasteurised fruit but to no avail. For the Berry ESACE, sourcing has spread to the north of the state owing to the use of unique agricultural produce in the processed food item. For the Cheese ESACE, who sold their farm in October 2003, all milk is sourced from the local Tamar Valley. The ERD principle of using local ecology is applicable to the enterprises under study.

The employment of *local labour* is another characteristic of ERD that applies to the enterprises under study. This characteristic predominantly applies to the expanded enterprises, which source labour from within Tasmania. Furthermore, the use of raw agricultural product from neighbouring farms and their staff (e.g. the Cheese ESACE), or the use of specialised services (e.g. Berry and Wine ESACE's employment of contract winemakers), aligns with the use of local labour.

The use of *local knowledge* as an endogenous development factor is not entirely appropriate when looking at it from the perspective of traditional or culturally transmitted knowledge. Yet, when compared against knowledge used in exogenous development, it becomes clear that the knowledge used in creating the products was not developed elsewhere and transplanted (i.e. exogenous development). All knowledge is external to some degree. For example, the female principal of the Cheese SACE has gained knowledge from a mainland university and other sheepmilk cheesemakers around the world; the Berry SACE uses the Internet and books; and the Wine SACE has gained knowledge from the family farm, worked in Europe and studied at a mainland university. However, a significant portion of knowledge they have acquired to produce and process the finished product has been gained by trial and error. It is local knowledge in that the principals have taken traditional or external ways of doing and applied it to their own produce and production methods. External knowledge has not

been transplanted unmodified. The use of local knowledge, modified to the distinct regional context, is more conducive to sustainability.

Local ownership is another characteristic of ERD. This feature was previously discussed as one of the defining characteristics of a cottage industry and found meaningful as applied to all of the enterprises under study. Local ownership sits in opposition to the notion of exogenous development, where external (to the region) actors own the businesses and profits are distributed out of the region. Thus, the *redistribution of profits locally*, rather than external to the region, is another characteristic of ERD that applies to the enterprises under study.

In regards to the ESACEs, enterprise expansion has *not* created more of an alignment with the principles of exogenous development. The expanded industries still adhere to the principles of ERD – a model that is more conducive to social and environmental sustainability. This, in turn, increases the prospects for economic sustainability. In supporting this particular philosophy of development, it was shown that ERD acknowledges exogenous factors and, like many dichotomies, the comparison between the two models (endogenous versus exogenous) is not meant to be rigidly defined, but is a way of looking at the development of an industry in a more sustainable manner.

It is at this point where Ray's (1998, p. 3) notion of neo-endogenous development, whereby regions are able to "(re) valorise place through its cultural identity", is appropriate. By including the smallest of the food processors in the cultural approach to ERD (Ray, 2003) the notion of further marginalisation is likely to be lessened. Central to Ray's (2003) cultural approach to ERD is Bourdieu's (1986) conceptualisation of 'cultural capital'. Ray (2003, p. 5) suggests that cultural capital is an "array of features that makes one territory different from another" and "can *manifest* itself in many forms including gastronomy, land management". In relation to the enterprises under study, it is proposed that artisanality is one such manifestation of Ray's notion of cultural capital. Artisanality can be an expression of the principals' values and beliefs (i.e. culture) and, for these processors, is the interface between the socio-cultural, the ecological and the economic. Artisanal production is therefore the interface at which the principals' values and beliefs; the local ecology/raw agricultural produce, and the value-adding potentialities converge. The outcome is a product that is unique and unable to replicated, thereby creating a competitive advantage.

In this way, development can tap into the market for cultural goods and services produced by cultural industries, a market which has rapidly expanded over the last couple of decades (UNESCO, 2005b, website).

As a culture industry, the artisanal food industry in Tasmanian agriculture is situated within the direction that policymakers favour. For example, Goal 11 of the *Tasmania Together* policy (a long-term economic, social and environmental vision for the future of Tasmania) aspires to “have Tasmania recognised nationally and internationally for its innovation, pursuit of excellence and creativity in arts and culture” and to “enshrine arts and cultural industries as a leader and engine for growth and prosperity” (Tasmania Together, 2001, p.57). It is suggested that the artisanal food industry in Tasmanian agriculture be recognised for its potential contribution to, and alignment with, this goal.

Employing culture in an attempt to differentiate the region makes use of an intangible asset. The use of culture to create competitive advantage is a phenomenon that the artisanal food industry in Tasmanian agriculture is currently employing. Culture is an infinite resource that cannot be depleted through consumption, despite suggestions that it can be degraded. In fact, its promotion can positively impact directly and indirectly. On the one hand, direct impacts can be felt in terms of economic capital, whilst indirect impacts can include such benefits as adding to the region’s identity and creating a ‘sense of place’ and pride amongst the region’s inhabitants.

Thus, the ‘neo-endogenous cultural approach to development’ is a model of development that *can* be more inclusive and, because it is founded on the principles of ERD, is more conducive to social and environmental sustainability. In turn, it is more favourable to economic sustainability. It has been shown that the enterprises under study align with the principles of ERD and that they represent more than food processing industries. Instead they are cultural industries that support a model of development more apt to sustainability and provide more than simple value-adding activities. The industries studied here encompass and present more than the obvious economic benefits and, as shown, this is preserved upon expansion.

Conclusion

It was initially demonstrated that a set of intangibles (such as care and time taken, social interaction between processor and consumer, passion and creativity) were the commonalities between the small-scale and expanded enterprises. The analysis also revealed that the informal artisanal cottage industry label is appropriate as applied to the vignette industries and SACEs explored in this study. Moreover, only two of the defining characteristics of a cottage industry (i.e. location of business and number of employees) were inappropriate characteristics as applied to the ESACEs. That is, in regards to the defining characteristics of a cottage industry, the SACEs, vignette industries and ESACEs possess significantly more similarities than differences. Consequently, due to the ESACE's alignment with the majority of the defining characteristics of a cottage industry, it is suggested that enterprise expansion does not necessarily denote the compromising of values and beliefs. For those principals where the characteristics (such as artisanality, social interaction between producer and consumer, and care and time taken) are an expression of their values and beliefs, the preservation of the defining characteristics upon expansion supports the fact that they have not been compromised. In this way, the expanded enterprises do not come to resemble industrial agri-food operations, and the products have not lost meanings that are associated with cottage industry products (such as artisanality or direct selling).

This chapter also began the exploration of Research Sub-Question 1.5: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?* It was demonstrated that the enterprises involved in the study aligned with the principles of endogenous regional development and that by using culture (i.e. the cultural approach to endogenous development), development could be more inclusive and tap into a rapidly growing market. ERD offers a development model more conducive to social, environmental and economic sustainability and perhaps the leading benefit of using culture is that it is an intangible asset.

In exploring the overarching research question – *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?* – Chapter 6 has shown that it is the preservation of many of the defining characteristics of a cottage industry, the retention of a set of intangibles, and place and space characteristics that are facilitating identity preservation upon expansion.

Chapter 7 follows this analysis by furthering the investigation into how the expanded enterprises have preserved their artisanal identity/do not resemble conventional large-scale agrifood processors. Thus, Chapter 7 explores the Research Sub-Question 1.4: ***How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?*** The approaches the industries use to preserve their artisanal identity upon expansion are also incorporated into the exploration of the development model in regards to the industry; that is, in the exploration of Research Sub-Question 1.5: ***What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?***

Chapter 7

Artisanal Identity Preservation and Enterprise Expansion

Introduction

Chapter 6 commenced the examination of Research Sub-Question 1.5: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?* It was established that the enterprises under study aligned with principles of the endogenous regional development (ERD) model. The discussion of this model was furthered by promoting the benefits of recognising and using culture in endogenous regional development. The appropriateness of the cultural approach to ERD in relation to the industry under study was also explored. Furthermore, because the artisanal food sector in Tasmanian agriculture is a culture industry, and the demand for such products is a rapidly expanding market, it is recommended that it be viewed as much more than a food processing industry.

This chapter, Chapter 7, progresses the investigation into artisanality, namely enterprise expansion and artisanal identity preservation. Thus, Research Sub-Question 1.4 is explored: *How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?* The approaches that have facilitated artisanal identity preservation upon expansion are also used to advance the examination of Research Sub-Question 1.5: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?* In so doing, Chapter 7 progresses the exploration of the research problem – the paradox of expansion and potential identity/meaning loss – and contributes to answering the overarching research question – *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?*

Approaches to Artisanal Identity Preservation and the ESACE

This section progresses the exploration into *how* the expanded enterprises (ESACEs) have managed to preserve their artisanal identity. The methods used to preserve artisanality will be termed *approaches* and refer to the ways that AIP can occur. Using the definitions from Chapter 6, artisanality refers to the use of a low capital to high

labour ratio in order to create the food item (de Roest, 2000). This is opposed to a mass produced item which has a high capital (e.g. equipment, inputs) to low labour input (mechanisation/ high levels of machine use). Based on the literature, three components of artisanality (i.e. hand processing, artisanal business unit and product involvement) were developed. The hand processing component refers to the notion that:

Artisanal products are those produced by artisans, either completely by hand, or with the help of hand-tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product” (ITC, 2003, webpage).

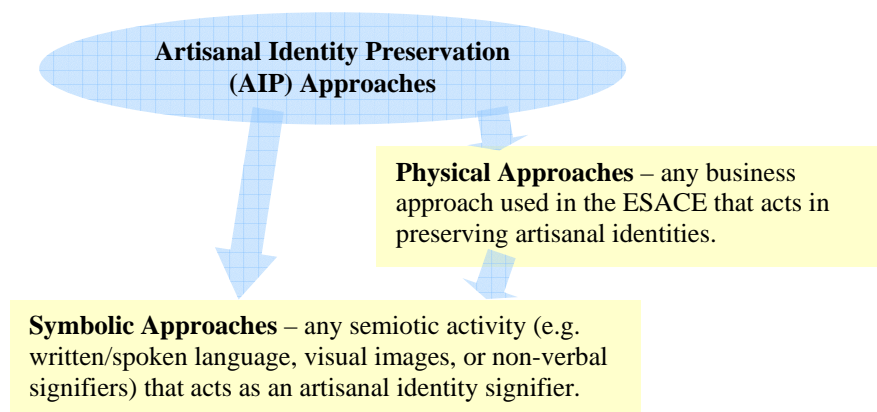
Alternatively, the notion of the “artisanal entrepreneur” rather than artisan per se still offers a high labour input content into the product and refers to those who:

- a. although not actively participating themselves in production, specialise in research, market negotiations or produce design and conception;*
- b. also make use of machine tools or even other machinery, yet not affecting the artisanal nature of the work and the production process;*
- c. beyond the usual cottage or artisanal unit, have associated in cooperatives or any other form of organisation (even informal); and,*
- d. manage or form part of micro, small or medium sized enterprises concerned with artisanal production (ITC, 2003, webpage).*

The artisanal business unit component refers to the idea that the principals (Owners/Investors/Labourers) are responsible for many of the business activities themselves, rather than outsourcing (i.e. they distribute the product, do their own accounts, construct their own website, and grow the raw produce that goes into their product). The product involvement component is similar in idea to the artisanal business unit component; however, rather than being responsible for the business activities, it refers to having hands-on contact of the product from start to finish. This refers to the notion that an artisan is responsible for their creation from conception to the end. For a quality end product it is expected that the artisan thoroughly knows the raw product and works with it through the entire life cycle. This category sits in opposition to the specialisation of labour, where the labourer is responsible for only a part of the life cycle of a product.

Two types of approaches were found to have enabled artisanal identity preservation (AIP): *physical* and *symbolic* approaches (Figure 7.1).

FIGURE 7.1: APPROACHES USED TO PRESERVE THE AUTHENTIC, ARTISANAL IDENTITY IN THE EXPANDED ENTERPRISES



These approaches were constructed as tools to assist explanation. Physical approaches to AIP refer to those business approaches that affect the structural characteristics of the enterprise and facilitate AIP. Symbolic approaches refer to any semiotic activity, such as written or spoken language, visual images, or non-verbal signifiers (Fairclough, 2000) that act as artisanal identity signifiers.

Physical Approaches

The analysis revealed that despite enterprise expansion the businesses expanded without achieving mass production. Instead, the enterprises expanded in other areas using a variety of approaches. The industries were therefore able to maintain the high labour ratio in their processed goods, as opposed to a lower level of labour input (high machine usage) that is seen in mass produced food items. The implications of this finding are four-fold:

- a. artisanality is still a meaningful characteristic in the ESACEs;
- b. value-adding opportunities in relation to artisanality remain upon expansion and are an appropriate development tool;
- c. the principals have retained their commitment to artisanal food production and have not compromised their values and beliefs; and
- d. successful expansion in these industries does not require the attainment of economies of size. Cost reductions by achieving economies of size are offset by premiums they receive for artisanality and other unique characteristics.

The physical approaches that were found to have enabled AIP included: economies of scope, diversification, and capping production. The following offers an analysis of the physical approaches to AIP as applied to the ESACEs; whilst the Wine SACE is incorporated in the analysis due to its self-labelling as artisanal, but no longer being a cottage enterprise.

Economies of scope

A physical approach used by the ESACEs to facilitate expansion without losing significant labour input in the final product is that of economies of scope. The concept of economies of scope is best illustrated by comparison with economies of size. InvestorDictionary.com (2005) describe economies of scope as “conceptually similar to economies of scale ... Whereas economies of scale refer to changes in the output of a single product type; economies of scope refer to changes in the number of different types of products.” This is not to say that the ESACEs have not achieved economies of size; rather, there has been a focus upon economies of scope. Although this section highlights economies of scope, it is noted by the very fact that they are referred to as ESACEs (i.e. expanded) in this study, that they have increased their production and have achieved economies of size in this respect. The issue is that they have retained a significant level of labour input despite expansion. It is the economies of scope that these enterprises more clearly identify with and it is this that has enabled them to retain the artisanal image.

Amongst the ESACEs, the Cheese enterprise had attained economies of scope by utilising existing knowledge, raw agricultural produce and infrastructure to produce a range/different types of goatmilk products, cowmilk products and pet yoghurt, rather than simply increasing the output of a single product type. The decision to add cowmilk processing to the business activities was considered a risk reduction strategy and offered a stable income stream. This was demonstrated when the female principal suggested that:

We looked around and we decided, well, we couldn't establish a whole business just on goat cheese, because it's so up and down and we looked around and nobody in Tasmania was making cowmilk yoghurts, so we got that as our second line and I still do cowmilk yoghurt for Woolworths and Coles and that is under our own name ... [but] it's the goat cheese that actually makes us our money.

Economies of scope is also evidenced in the Berry ESACE, which uses existing raw agricultural product (as well as off-farm produce) to process a number of different

product types, such as jams, vinegars, chutneys and liqueurs. These products (except the liqueurs) are processed in the on-site kitchen and are used in their on-site café in the fruit centre.

Diversification

Diversification is another physical approach that has enabled expansion whilst not reaching economies of scale. Diversification here refers to:

a way of branching out from traditional farming activities and taking on a new income-generating enterprise. The types of enterprise can vary widely and new businesses have been started in tourism and leisure related activities, in specialist crops or livestock, in the services or manufacturing sectors as well as in value-adding ventures. Farmers, members of the farm family or employed labour or managers can all be involved in diversification projects. (DARDNI, 2005, webpage)

In relation to the enterprises under study, the Berry ESACE has diversified from the initial Pick-Your-Own operation into food processing, retail (of other local food products) and the fruit centre/café. Despite diversifying into a number of other activities, such as the restaurant, function centre and arts centre, the Wine ESACE's processed food item is not mass produced and still has a high labour input.

Limited Production

The plan to intentionally limit or cap production is a consistent theme throughout the enterprises under study. This was most relevant in the Wine SACE's case where production is to be capped at 200 tonnes annually. The Cheese ESACE, although intending to expand somewhat, will remain a small, as opposed to a large-scale processor that will achieve economies of size. The Berry ESACE intends to increase the production levels of the wines and liqueurs but not the jams, vinegars and chutneys. This intended expansion, however, will not situate the enterprise as a mass producer. Moreover, by sourcing the additionally required raw produce off-farm, the Berry ESACE's on-site operations (i.e. the PYO) can remain small in size. For the Wine ESACE, a short-term expansion plan in relation to the vineyard is anticipated; however, the intended increases will not position the business as a large-scale, economies of size, industrial wine processor.

The preceding discussion has shown examples of how the enterprises have utilised a number of approaches to expand without achieving mass production and losing a high level of labour input in the final product. This sits in opposition to the expansion model

that is based on the increased output of a single product line and results in the alteration of the capital to labour ratio in the processing of the food item. The physical approaches to AIP have meant that, even though expansion has occurred, a high labour input is still present and mechanisation has not replaced the manual component.

Symbolic Approaches: Authenticity, Metonymic Signifiers and the Three Components of Artisanality

This section will examine the symbolic approaches that are potentially used to signify artisanality and act to authenticate the product and enterprise as artisanal. In this analysis, Cohen's (1988, p. 378) concept of authenticity, "metonymic" signifiers and "diacritical" traits will be used to assist in the exploration of identity preservation. This examination will incorporate the analysis of each of the three components of artisanality – hand processing; product involvement; and artisanal business unit.

According to Cohen (1988), authenticity is socially constructed in that different actors seek out a diverse range of traits (i.e. quantities and types) to authenticate a cultural product. Some actors require a larger number of traits to assign authenticity, whilst others command specific traits (Cohen, 1988). If these traits are present, the entire product is authenticated. Cohen (1988, p. 383) suggests that:

Such traits can then be taken to authenticate, metonymically, the product as a whole. The breadth of such authentic traits necessary to satisfy the tourist will, in turn, depend on the depth of the touristic experience to which each individual tourist aspires. Since most rank and file tourists do not aspire to much depth, a few traits of a cultural product which appear "authentic" will in most cases suffice for its acceptance as an "authentic" product. Hence mass tourism does not succeed because it is a colossal deception, but because most tourists entertain concepts of "authenticity" which are much looser than those entertained by intellectuals and experts, such as curators and anthropologists.

In furthering Cohen's (1988) concept of authenticity, it is proposed that not only do actors differ in the traits required to authenticate a product, but that there are substitutes that act to replace and signify these traits. Borrowing from Cohen (1988), these are referred to here as *metonymic signifiers*. Thus, because the principals more closely align with the notion of artisanal entrepreneur and no longer provide the most substantial and direct amount of labour input, it is suggested that there are a number of metonymic signifiers that act to substitute for the three components of artisanality. Hence, the substitutes authenticate the product as artisanal and enable AIP, despite enterprise expansion.

Hand Processing

As one of the components of artisanality, hand processing refers to the scenario in which “the direct manual contribution of the artisan remains the most substantial component of the finished product” and where “mechanical means” might occur, but the main contribution is still manual (ITC, 2003). Despite having found in Chapter 6 that the hand processing component of the defining characteristic of artisanality was meaningful in regard to the ESACEs, the direct labour input was supplied by employees, rather than the principals themselves. Nonetheless, the products are still created with a higher labour input in comparison to large-scale, intensively produced and processed items (i.e. a lower capital to labour ratio). One example of this was revealed upon entering the Cheese ESACE’s factory where I, as researcher, was confronted with staff standing at benches and performing tasks by hand. There are no factory production lines or highly mechanised equipment. To explain the image of artisanality, the female principal framed it in comparative terms against the larger factory type operation:

Now Annette out in the factory at the moment cutting these marinated fetta squares, I mean, she’s there hand cutting. If that was in a big factory, there’d be a machine going doong, doong, doong, filling the jars, you know. You just can’t compare it.

In relation to the Berry ESACE, the kitchen is akin to a domestic kitchen and sits in direct opposition to an operation that resembles a large-scale jam factory. The hand processing component for the Wine ESACE is performed by the contract winemaker, Andrew Hood, who is located a couple of hundred metres from the Wine ESACE and is well known for his skills and small-scale processing. One of Australia’s most famous wine writers – Huon Hooke – suggested that Andrew Hood, the Wine ESACE’s winemaker, is “a non-egotist, he doesn’t seek to impose his stamp on the wines, instead letting nature do its thing and allowing terroir to make its statement” (Brand Tasmania, 2004, webpage). This demonstrates, in part, the difference between the method of processing that involves significant human input and the incorporation of the uniqueness of location and processor, versus the large-scale operation that encompasses high levels of machine use and standardisation. Although the principals are not responsible for a substantial amount of direct labour involved in processing, their employees still process with an extensive hands-on component, and it is this characteristic that potentially acts as an artisanal identity metonymic signifier for the hand processing component.

Additionally, the principals are heavily involved in the decision-making process and knowledge transmission, which potentially metonymically signifies (substitutes or replaces) the hand processing component. For example, during my interview with the female principal of the Cheese ESACE, an employee asked several times for advice (knowledge) in relation to processing. Heavy involvement in the decision-making process also occurs between the principals of the Berry ESACE and the contract winemaker in the co-development of the wines and liqueurs; whilst the Wine ESACE principal is heavily involved in the wine making process – so much so that the principal views his role as “executive winemaker”. This aligned with ITC’s (2003) conception of an “artisanal entrepreneur” who, although not directly and substantially responsible for the input of primary labour into an artisanal product, is involved in related activities, such as management or market-related activities; design and conceptualisation; and, research (ITC, 2003). It is therefore proposed that the principals’ heavy involvement in decision making/knowledge transmission in their capacity as ‘artisanal entrepreneurs’, metonymically signifies artisanality (see Figure 7.2). It is also the hand processing (i.e. high labour input) by employees, rather than the principals themselves, which signifies artisanality. Finally, it is suggested that the low levels of machinery and non-economies of size/mass production also signal artisanality.

Product Involvement

In Chapter 6, the product involvement component of artisanality was described as the artisan/principals’ involvement with the product from beginning to end. Product involvement encompasses the knowledge that the artisan possesses of the differences in the raw agricultural produce and the application of this in processing. In this way, the principal is able to work with and around the differences in the raw product. This sits in opposition to the specialisation of labour, where the principal/employee is only responsible for a particular stage of the creative process.

Much like the hand processing component, the product component of artisanality for the ESACEs was found to be meaningful in the principal’s altered role as artisanal entrepreneur (see Chapter 6). For example, product involvement as an artisanal entrepreneur is most evident in the Cheese ESACE, where the principals recently sold their farm and now source all milk off-farm and locally. For the Cheese ESACE, intimate knowledge of the producers, the terroir from which the milk came, and the in-depth knowledge of the raw product (having been in the business for thirty-odd years), could potentially act as a metonymic signifier for the product involvement component.

FIGURE 7.2: POTENTIAL METONYMIC SIGNIFIERS: THE ESACES, AIP AND THE THREE COMPONENTS OF ARTISANALITY

Hand Processing – A meaningful component but not by principals (see Table 6.1)

- Lower levels of machinery/more labour-intensive/low relative production;
- Employees hand process;
- Principals heavily involved in decision-making/knowledge transmission of hand processing component.

Artisanal Business Unit – Somewhat meaningful (see Table 6.1)

- Principal's physical presence/involvement in business;
- Principals heavily involved in decision-making in business activities;
- Principal's social interaction with customer.

Product Involvement – A meaningful component but in their capacity as artisanal entrepreneurs (see Table 6.1)

- Intimate/in-depth knowledge of raw agricultural product (i.e. general knowledge of the product itself and specific knowledge of the producers, methods of production (how) and terroir, etc.);
- Knowledge/Information transmission and cooperation with others;
- Employees are involved with product from start to finish (i.e. raw agricultural produce is produced on-site by employees and then processed by employees);
- Principals heavily involved in decision-making process from start to finish;
- Principal's physical presence in stages of product involvement.

Despite not actually being involved in a hands-on role (i.e. responsible for the primary labour input) with the product from start to finish, the principals' knowledge about who produced the raw agricultural product, how it was produced (e.g. different types of feed), the climate in which it was produced (affecting the milk), the land from which it came (because it is local), and other factors that affect the product – such as how it was transported (rough carriage can ruin the milk) – could potentially substitute for involvement in the product from start to finish. The principal therefore knows as much about the product as if they produced it themselves. Then, once it arrives at the factory, the principals are primarily responsible for knowledge transmission and decision-making. This sits in opposition to an economies of size processing factory that is unaware of the specifics of origin, who produced it and other related characteristics.

A similar scenario exists for the Berry ESACE who, together with the contract winemaker, co-developed the fruit wines and liqueurs. In this process, information and

knowledge is transmitted between the principal (i.e. producer of the raw product) and the contract winemaker (i.e. processor of the raw product). This collaboration and knowledge exchange could metonymically signify product involvement to the consumer, despite the principal not actually being responsible for direct labour. Other potential signifiers of product involvement for the Berry ESACE are the raw agricultural produce growing outside the fruit centre and the aroma and visuals of the on-site kitchen.

For the Wine ESACE, heavy involvement in the decision-making process; close collaboration with the winemaker, production of raw agricultural produce outside the cellar door/restaurant/function centre, and the principal's in-depth knowledge of the raw agricultural produce, terroir and viticultural practices, potentially act as metonymic signifiers for the product involvement component of artisanality.

In spite of the principals' lack of direct labour input into the creation of the product from beginning to end or the purchasing of off-site raw agricultural product upon expansion (i.e. all in the Cheese ESACE and part in the Berry ESACE), the principals still possess intimate/in-depth knowledge of the raw agricultural product. In part, this is because of its unique space and place characteristics (i.e. they have intimate knowledge of the raw agricultural producers; methods of raw agricultural production; and knowledge of the biophysical characteristics of where it was produced and how this affects the product). Additionally, the principals are heavily involved in the decision-making process and apply their in-depth knowledge to the creation of the product throughout its entire lifecycle. All of these characteristics potentially signify the product involvement component of artisanality to the consumer.

Artisanal Business Unit

The artisanal business unit component of artisanality was found to be somewhat meaningful as applied to the ESACEs in Chapter 6. This component refers to the enterprise in which the principal is personally responsible for conducting a substantial component of the business activities. This sits in opposition to the enterprise that outsources many business-related activities – such as selling, distributing, account keeping, website maintenance and the production of raw agricultural product.

In Chapter 6, it was found that although expansion made it physically impossible for the principals to carry out all business-related activities, they were still involved in and responsible for many tasks. As such, it was suggested that the artisanal business unit

component as applied to the ESACEs was somewhat meaningful. It is proposed that a number of metonymic signifiers could potentially substitute for, and signal, this component. One such characteristic is the principals' physical presence in the business. Both principals of the Cheese ESACE work in the business and, upon entering the factory (for factory door sales), consumers meet the female principal. Although specific business activities have been outsourced as a result of expansion (such as milk supply and product distribution), the principals have a considerable physical presence in the business. It is suggested that this could potentially substitute for the artisanal business unit component. Another example of the physical presence is also evidenced in the Berry ESACE, where the male principal conducts guided on-site farm tours.

Social interaction with the consumer/customer could additionally signify the artisanal business unit component. This characteristic contrasts to those large-scale, economies of scale operations where anonymity is present and owners are not involved in the business. In the Cheese ESACE, the female principal interacts with customers in person (face-to-face), over the phone, or via email; whilst in the Wine ESACE, which is significantly larger than the other ESACEs, the principal is still physically present in the business and interacts with consumers (e.g. at wine tastings). The Wine ESACE could not be considered an artisanal business unit; however, it is this type of social interaction and resultant transparency that differentiates conventional food production enterprises from this type of unit.

Written or Spoken Language

Other forms of semiotic activity that potentially signify artisanality to the consumer are located on the Cheese ESACE's website. The website describes their products as "traditional, hand made cheese", "hand made to an authentic style recipe", "hand made in a traditional Greek style" and "hand rolled and then marinated" (Westhaven Dairy, 2003, webpage). The Cheese ESACE also refers to "traditional style" and "quality hand made cheese" on their packaging. These signifiers mostly align with the hand-processing component of artisanality and signal labour-intensive production.

The Berry ESACE's website also potentially signals artisanality to the information/food consumer by stating that "our unique jams, vinegars, chutneys and pickles are cooked in our kitchen on the farm and visitors frequently experience the aroma of cooking smells as they enter the tearooms" (Sorell Fruit Farm, 2003, webpage). The Berry ESACE's website also refers to their aim as being "to produce wines and liqueurs that capture the unique flavours of the freshly-picked, fully-ripe fruit" (Sorell Fruit Farm, 2004,

webpage). The claims of responsibility for production and processing potentially convey the product involvement component of artisanality to the information consumer.

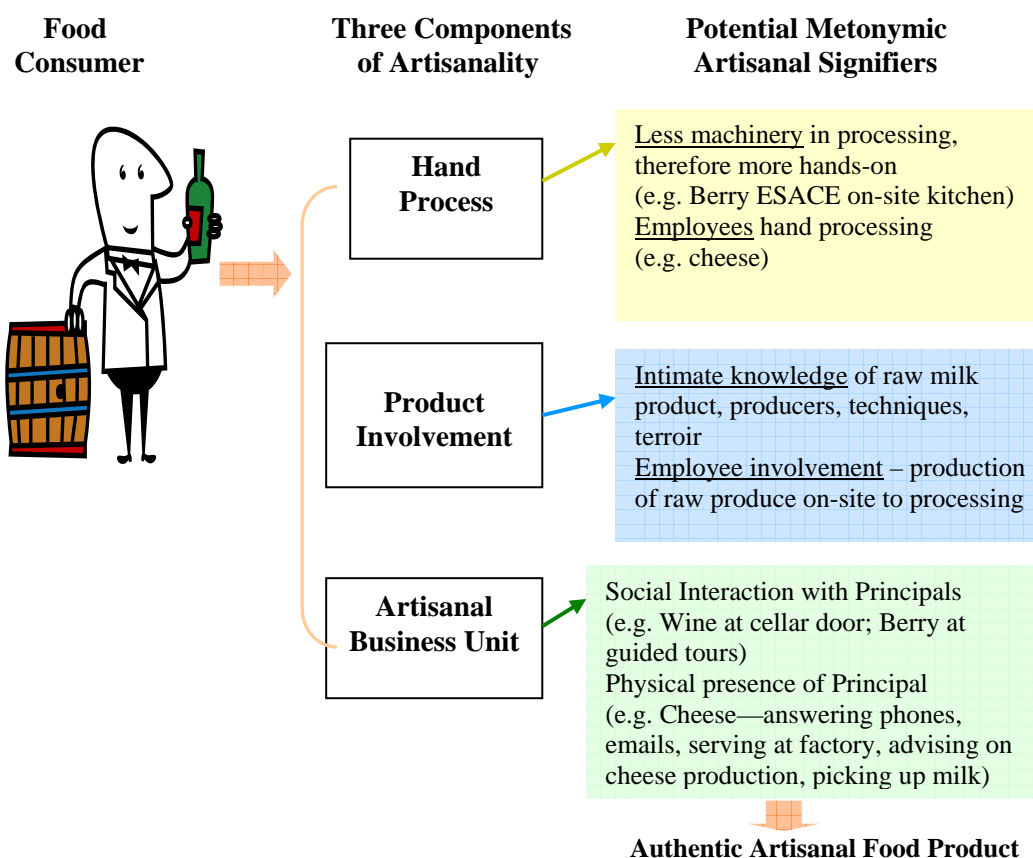
Summary

The preceding section investigated further the notion of artisanal identity preservation (AIP) upon enterprise expansion in the ESACEs. Although artisanality was found meaningful as applied to the ESACEs in Chapter 6, it was suggested that expansion has seen artisanality preserved via the principals' capacities as 'artisanal entrepreneurs' rather than artisans per se. The principals' role as 'artisanal entrepreneurs' indicates that they are not responsible for the direct and substantial input of primary labour; however, they are still very much involved in the production process and business operations.

A number of physical approaches were found to have enabled AIP upon expansion. These approaches permitted expansion without achieving economies of scale or significantly impacting upon the labour input during processing. Thus enterprise expansion has not been solely based upon increases in output of a single product type and mass production has not been achieved. A number of symbolic approaches to AIP were also proposed. In investigating the symbolic approaches to AIP, Cohen's (1988) conceptualisation of authenticity was employed, with a number of signifiers potentially signalling an authentic artisanal product/business (see Figure 7.3).

In revisiting the conventionalisation thesis discussed in Chapter 6 and the notion that as these enterprises expand they will come to resemble conventional agrifood processing operations in structure and ideology; it is suggested that the findings here do not support conventionalisation. As the ESACEs have expanded they have not come to resemble large-scale conventional agrifood processing operations in structure. Despite expansion, the enterprises do not mass produce; do not employ high levels of machine use; and processing is still labour-intensive. The evidence for this was especially supported in the physical approaches to AIP.

FIGURE 7.3: AN EXAMPLE OF THE USE OF METONYMIC SIGNIFIERS TO CONSTRUCT AN AUTHENTIC ARTISANAL FOOD PRODUCT IN THE ESACE



Other data which contradict the conventionalisation thesis amongst the artisanal industries under study were found in the symbolic approaches to AIP. Despite the principals no longer being responsible for primary labour input, they align with the notion of “artisanal entrepreneur” and are still heavily involved in the processing of the product. In this regard, the metonymic signifiers signal artisanality to the consumer. For example, there is still a high labour content which metonymically signifies hand processing; the principals are intimately involved in decision-making and knowledge transmission, which potentially signifies product involvement; and the principals are responsible for, or involved in, many of the business-related activities that potentially signify the artisanal business unit component of artisanality. Therefore, it is suggested that if these actions are an expression of the principals’ values and beliefs (such as intimate involvement in all aspects of the business, face-to-face interaction with customer, physical presence in business), their preservation indicates that the principals have not compromised their values and beliefs. This is also supported by the retention of the processors’ intangibles that assigned ingroup membership referred to in Chapter 6 (such as care, social interaction, trust, knowledge and creativity).

Alignment of the Approaches to AIP with Principles of the Agroecological Model of Development

In exploring AIP, it was found that the physical approaches enabled expansion without obtaining economies of scale. Additionally, the preservation of the spatial confinement of the bulk of activities upon expansion in the ESACEs is not aligned with characteristics seen in the conventional agrifood industry. In this respect, the negative social and ecological impacts often associated with large-scale processing (e.g. long food miles and impacts that anonymity affords) and the type of production (e.g. monoculture and intensive chemical usage) that is required to meet demand are less likely to occur. As has been shown, these businesses are more labour-intensive and benefit local communities through direct employment (more so upon expansion) and multiplier effects. For the enterprise itself, the added labour costs are retrieved in the higher prices they receive for their goods (i.e. in the form of value-adding). It is at this point that affinities with the agroecological development model and approaches to AIP begin to emerge.

Agroecology and the Artisanal Food Industry in Tasmanian Agriculture

Agroecology is a “social and political movement” which aims to achieve sustainability in agriculture by using “environmentally and socially sensitive approaches” (Banks and Marsden, 2001, p. 114). The philosophy promotes: the regaining of local autonomy; the use of local resources (e.g. labour, knowledge); the valuing of heterogeneity (scale and farming methods); and calls “to establish or assert new norms of production and consumption practices” (Banks and Marsden, 2001, p. 115).

Guzman and Woodgate (1999) propose a number of central characteristics at the core of the agroecological development model that include: a crisis of modernity, co-evolution, local farmers’ knowledge systems, endogenous potential, collective forms of social action, ecological and cultural diversity, systemic strategies, and sustainable societies (Marsden, 2003, p. 304). Two of these principles – the *crisis of modernity* and *collective forms of social action* – will be the focus of the following discussion. Apart from being an endogenous form of development and aligning with many of the principles of ERD already explored in Chapter 6, these two agroecological characteristics demonstrate that alternatives to the industrial agrifood discourse can be used to challenge socially and environmentally destructive practice and can be engaged as agrifood development tools.

Crisis of Modernity

The first agroecological principle of particular interest to this research is that of the ‘*crisis of modernity*’. This crisis, in part, refers to the social and ecological degradation that has occurred from conventional agrifood production and related practice. Within this crisis, sustainability is based on ecological, rather than industrial, agrifood production (Marsden, 2003). In this respect, an alternative definition of sustainability challenges the dominant industrial discourse (Marsden, 2003, p. 229).

The entire discussion so far, including Chapter 6, has shown that the enterprises under study do not align with the industrial model of agrifood production and related practice. From business characteristics to the expression of the principals’ values and beliefs, these enterprises challenge the dominant industrial agrifood model. This is evidenced through characteristics such as:

- a. the artisanal industry’s lack of economies of scale despite expansion (i.e. physical approaches) as opposed to mass production;
- b. the sourcing of local raw agricultural produce and low food miles (i.e. the space dimension) as opposed to conventional food chains where each node of the chain can occur in a different continent;
- c. the face-to-face social relationships between principals and customers (i.e. symbolic approach to AIP and an intangible from Chapter 6) as opposed to anonymity; and
- d. the preservation of labour-intensive production (i.e. AIP) as opposed to high levels of machine use.

In regards to the symbolic approaches to AIP amongst the ESACEs, it was found that alternatives to the industrial discourse are plentiful. This is evidenced in the hand processing metonymic signifiers (i.e. the symbolic approaches of AIP), which include:

- Lower levels of machinery/more labour-intensive/low relative production;
- Employees hand process; and,
- Principals’ heavy involvement in decision-making of hand processing component.

These metonymic signifiers provide alternatives to the highly mechanised, mass processed food item that is associated with economies of size operations.

The artisanal business unit metonymic signifiers also challenge the industrial discourse through the principal being present/heavily involved in the business and interacting with consumers, as opposed to anonymity and lack of involvement. These included the:

- Principal's physical presence/involvement in business;
- Principal's heavy involvement in decision-making in business activities; and,
- Principal's social interaction with customer.

The product involvement metonymic signifiers also provide alternative discourses to business characteristics espoused in industrial agrifood operations. These included:

- Intimate/in-depth knowledge of raw agricultural product (i.e. general knowledge of the product itself and specific knowledge of the producers, methods of production [how] and terroir, etc);
- Knowledge/Information transmission and cooperation with others;
- Employees are involved with product from start to finish (i.e. raw agricultural produce is produced on-site by employees and then processed by employees);
- Principals heavily involved in decision-making process from start to finish; and
- Principal's physical presence in stages of 'product involvement'.

The intimate/in-depth knowledge of place, space and product challenges the anonymity often associated with the industrial agrifood system. In a conventional operation, it is possible that product is sourced from a number of countries, processed in another and distributed to yet more countries. The various nodes of the food chain are notoriously spatially dispersed, whereas in the enterprises under study, the bulk – if not all – of the nodes are spatially concentrated. In the industrial operation, it can be impossible to possess such intimate knowledge of the product. Additionally, the intimate relationship that is formed between principal and contract winemaker – evidenced through knowledge transmission and cooperation during co-development of the product – is not plausible in an industrial agrifood setting. Moreover, the level of human input involved in processing creates difference rather than standardisation obtained through mechanisation.

The other principle of the agroecological development model focused upon in this investigation is that of '*collective forms of social action*'. As will be shown, this characteristic presents significant opportunities to the industry under study, as a means of challenging the resource-laden industrial agrifood sector and dominant discourse.

Collective Forms of Social Action

Collective forms of social action refers here to the type of collective that is absent from the industrial agrifood system and can seek to challenge the dominance and unsustainable practice that is often associated with the conventional food sector. In this

study, the collective form of social action of particular interest is that between producer and consumer. It was shown in Chapter 6 (as a defining characteristic of a cottage industry) that, amongst the industries under study, direct selling to the public is a meaningful characteristic. This characteristic is much more than a method of selling; rather, it involves producer and consumer forming a relationship based on the sharing of values, beliefs and information about the product. This type of relationship between producer and consumer is often absent in the industrial agrifood system. In direct selling, not only is the distance between producer and consumer reduced, but also the intellectual distancing is decreased. At the same time, however, spatially extended relationships between producer and consumer (such as selling overseas) can also result in a closing of the intellectual gap. Thus, this specific relationship between producer and consumer results in food chains that, as Van der Ploeg et al. (2000, p.399) suggest:

embody a fundamental shift away from the anonymous producer-consumer relations that characterised the 'industrial model' of food production in the modernisation epoch. There appears to be a general trend towards 'short-circuiting' long, complex and rationally organised industrial chains by constructing transparent chains in which the product reaches the consumer with a significant degree of value-laden information about its provenance.

Thus, the consumer is able to construct first-hand knowledge of: the actor who processed the product, the processors' values and beliefs, how the product was made, and where/under what conditions the raw agricultural produce was grown. This is shown to transpire between producers and consumers in the artisanal food industry in Tasmanian agriculture with both parties meeting via cellar doors, farm gates and at markets. Consumers are often present on-site and can construct this knowledge first-hand. This phenomenon sits in opposition to the anonymity that often exists within the industrial model where consumers are seldom aware of the story behind the product (i.e. who made it, how it was made and where it came from) and do not meet the processor upon purchasing. It is at this point that one of the core concepts of the study emerges – the notion of a '*short food supply chain*'.

The Short Food Supply Chain

'Short Food Supply Chains' (SFSCs) challenge and provide alternatives to the practices within the industrial agrifood model. In a conventional food supply chain, food is often distributed to consumers who have no knowledge of where the food came from, who produced it, and under what conditions it was produced. The characteristics involved in a conventional food supply chain include: spatially dispersed sourcing of produce (i.e.

not place-based); mass produced (bulk production and highly mechanised); spatially dispersed distribution; and, ownership is not locally based. As McMichael (1996, p. 90–91) suggests:

Instead of countries specialising in an export sector (manufacturing or agriculture) production sites in countries specialise in a constituent part of a production process spread across several countries ... some exported manufactured goods to the First World or to sites in a commodity chain en route to the world market.

Due to the context in which the product is created, it is either impossible to possess knowledge about, or is too complex to signal, the social and environmental conditions under which the product was produced. Thus, the consumer is often unaware of the product's context. By contrast, Marsden et al. (2000a, p. 425) refer to the SFSC's "capacity to re-socialise or re-spatialise food" and suggest that the SFSC provides the consumer with the opportunity to:

make value-judgements about the relative desirability of foods on the basis of their own knowledge, experience, or perceived imagery. Commonly such foods are defined either by the locality or even the specific farm where they are produced; and they serve to draw upon and enhance an image of the farm and/or region as a source of quality foods. 'Short' supply chains seek to redefine the producer-consumer relation by giving clear signals as to the origin of the food product. Short supply chains are also expressions of attempts (or struggles) by producers and consumers alike to match new types of supply and demand. Notable here are the additional identifiers which link price with quality criteria and the construction of quality. A common characteristic, however, is the emphasis upon the type of relationship between the producer and the consumer in these supply chains, and the role of this relationship in constructing value and meaning, rather than solely the type of product itself.

The SFSC can be viewed as a development tool. The unique relationship that is formed between producer and consumer creates a transparency that is not associated with the conventional food system. This transparency generates a concentration of meanings and characteristics that are attached to, and embodied within, the product and offer significant value-adding potentialities. Furthermore, if this closing of the gap is in terms of distance, then distribution costs are considerably reduced. This is particularly salient for the industry as the isolation from markets and associated transportation costs was one of the factors of concern that was raised by the principals themselves.

The SFSC is the perfect vehicle by which to transmit and preserve/retain the meanings/signifiers associated with, and embodied within, the products produced by the

artisanal food industry. Thus, the SFSC conveys more than just place-of-origin information, which is increasingly important because of food safety concerns; it also communicates information about the processors. In this respect, the SFSC can simultaneously be an expression of the principals' values and beliefs (i.e. they oppose anonymous transactions) and a tool for transmitting these values and beliefs. Along with artisanality and the intangibles discussed in Chapter 6, the SFSC can potentially be another manifestation of the principals' culture. All of these manifestations can also act as development tools in which food consumers place personal and economic value. These relationships or collectives that are built within these chains between the various actors – not just between producer and consumer, but between winemaker and principal or retailer and principal – are based on the transmission and sharing of the principals' values and beliefs. The trust that results is an exercise in building social capital. For these very reasons, the SFSC is the perfect arena where, collectively, the actors can work together to challenge unsustainable, intensively produced agrifood.

Marsden et al. (2000a, p. 427-429) suggest that there are six common dimensions of a short food chain. These include:

- (1) Removal or part removal from the conventional food supply chain (CFSC) context (i.e. chains associated with bulk food and complex food chains);
- (2) “New relationships of association and institutionalisation” (situated at a local regional scale rather than national);
- (3) Actors “have different relationships with the state” (i.e. the development of new products without the assistance of the state or are challenging the unfavourable outcomes of state policy);
- (4) Development of innovation, which “combine or reconfigure the natural, quality, region and value constructions associated with food production and supply”;
- (5) “[V]alue-added gains in terms of farm-level income impacts over and above those which would have been possible through the commodity-oriented mainstream ‘industrial’ channel”; and,
- (6) Significant diversity in the “types of associational and face-to-face interactions”.

In regard to the enterprises under study, total or part removal from the conventional food supply chain (CFSC) is an applicable characteristic. As previously discussed, no enterprise mass produces or processes; whilst in relation to food distribution, only four enterprises (Wine SACE, Cheese ESACE, Wine ESACE and Tasmanian Highland Cheeses) distribute further than the regional level. However, the products are not situated within a CFSC context because there is no mass processing; it is not

anonymous; and all, except Tasmanian Highland Cheeses, sells the *bulk* of their product regionally. The Wine ESACE also has the added market of selling their product in their own restaurant, whilst Tasmanian Highland Cheese is sold in transparent contexts where other parties share and purchase upon the same values and beliefs. The remainder of the enterprises are totally removed from the CFSC context.

Another dimension of the SFSC is that “new relationships of association and institutionalisation” are situated at the regional scale rather than the national level (Marsden et al., 2000a, p. 427). The fact that the enterprises under study ascribe to the ERD model demonstrates that the bulk of the principals’ associations are within the regional context. In relation to the processor-consumer relationship, many of these are at the farm level.

Dimension three of the SFSC refers to the notion that actors “have different relationships with the state” as compared to actors whose products are involved in conventional food supply chains. That is, the principals create new products without state assistance and/or challenge the “negative effects of state policy” (Marsden et al., 2000a, p. 429). In regards to this dimension, the enterprises under study are very much ‘do-it-yourselfers’; however, government support is evidenced in the providing of grants to the Cheese SACE, which received \$125,000 from the Rural Industries Research and Development Corporation and the Cheese ESACE which received a grant to assist in the development and market establishment of their new pet yoghurt product. Despite this the production of sheepmilk and even goatmilk cheese (to a lesser extent) is certainly a novel product in Australia and the principals went beyond state support in relation to technical assistance in establishing/operating their businesses.

The Berry SACE intentionally sought out distinctive and unusual berries to grow and the principals suggested that they were then unable to source local knowledge and advice from government agencies. For the Berry ESACE, the development of the PYO operation and new products in the form of berry liqueurs was so novel that the principals had to, in effect, establish a local market themselves:

actually I initiated the Tasmanian Fruit Wine Show and Festival in 1990 and that was as a Rotarian, a local Rotarian, and that promotional activity associated with the Fruit Wine Show and Festival has, I think, had a significant impact on local appreciation of fruit wines and fruit liqueurs and similar products.

In many cases, participants conveyed that the principals' innovation meant that the state did not possess significant existing knowledge on the product and was unable to offer advice. Reaction to state policy has been evidenced in the establishment of cellar doors to overcome the federal government's Wine Equalisation Tax. However, state government policy has promoted the development of the touring trails incorporating these cellar doors; thus, perhaps in this respect, reaction to federal policy is more applicable.

The development of innovation that "combines or reconfigures the natural, quality, region and value constructions associated with food production and supply" is another common dimension of a SFSC as suggested by Marsden et al. (2000a, p. 429). The industries under study certainly align with this dimension and either produce products that are based on new raw agricultural produce in Tasmania or reconfigure existing produce in new ways to create a distinctive product. Quality can incorporate natural, regional and value constructions and for this reason is a superfluous attribute. However, the use of nature, region (such as organic, low chemical usage, terroir, clean, safe and green) and value constructions (such as the expression of the principals' values and beliefs in the form of artisanality and the intangibles) are certainly combined in innovative ways that cannot be replicated by those industries that sit within a conventional food supply chain context.

Profits obtained from value-adding "in terms of farm-level income impacts" being higher than in an industrial food supply chain is another common dimension of a SFSC proposed by Marsden et al. (2000a, p. 429). This was previously discussed in Chapter 6 at the product level as a defining characteristic of a cottage industry. Throughout the discussion it was shown that these enterprises and their products have significant characteristics and meanings that are conducive to value-adding. These include the intangibles (care and time taken in processing), alignment with the principles of the ERD model (such as place-based and spatial confinement), limited supply/capping of production (physical approach of AIP), and artisanality (even upon expansion).

The final dimension of a SFSC relates to the "types of association and face-to-face interactions", which differ significantly from those seen in the conventional food supply chain (Marsden et al., 2000a, p. 429). It has been shown that the enterprises under study employ a diverse range of methods to sell their products face-to-face, some of which include the use of farm gates, cellar doors and local markets. As previously discussed, these types of associations are based on first-hand knowledge construction and

exchange, social relationships, and the building of trust between actors (i.e. social capital). This differs to those products that are involved in the CFSC which, although they might inform the consumers via product labelling, do not employ face-to-face methods of selling, do not involve social relationships and do not build social capital.

Thus, it has been demonstrated that the enterprises under study do align with Marsden et al. (2000a) six common dimensions of a SFSC. As a “collective form of social action”, the SFSC potentially enables the consumer to construct knowledge about the product they are selecting, builds social capital, and provides a method for challenging the eco-social degradation associated with industrial agriculture. The preservation of unique and valuable attributes and meanings attached to the artisanal industry’s products within the SFSC context advocates an increase in value-adding opportunities and enhances the likelihood of consumers selecting their product.

In a marketplace where the businesses that manufacture industrial food products often possess more material resources, it is increasingly difficult to out-compete on the grounds of symbolic resources. That is, with more finances available to them, the larger businesses are able to spend more promoting their meanings; hence the consumers may come to view these as the preferred meanings associated with the product. However, the SFSC enables industries such as the artisanal food industry in Tasmanian agriculture, which usually possesses less material resources, with opportunities to signal alternative characteristics and meanings. It was suggested throughout the interviews that these enterprises do not compete with their larger-scale counterparts because they produce very different products. This might be the case at ground level; however, competition exists at the quality food level. There is a constant struggle over what meanings signal quality in the first place. In this respect, the artisanal industry is in competition with large-scale food processors.

The notion of a SFSC (which is not necessarily short in food miles) is a tool of development that should be embraced and promoted in policy for its ability to:

- a. *preserve a higher concentration of signifiers* because of the special social relationship that exists between producer and consumer as evidenced in the artisanal food industry in Tasmanian agriculture. An enterprise that produces a typical CFSC product will not signify (unless required to) long food miles, unknown regions of origin, or the use of environmentally degrading agriculture;
- b. *signal distinctive types of signifiers* related specifically to the industry under study that are typically lost in CFSCs (e.g. care, face-to-face interactions);

- c. *reduce distribution costs* (more so if the SFSC is of the face-to-face type) and act as a value-adding activity (i.e. direct selling/face-to-face sales); and,
- d. *challenge socially and environmentally destructive agrifood practice* by allowing those with less material resources and alternative practice to have competing meanings conveyed.

Conclusion

This chapter furthered the investigation into artisanality that was undertaken in Chapter 6 by examining artisanal identity preservation in the ESACEs and exploring Research Sub-Question 1.4: *How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?* In Chapter 6, the examination of Research Sub-Question 1.1 – *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?* – revealed that artisanality was a meaningful concept as applied to the ESACEs. However, artisanality is negotiated as the ESACE principals align with the notion of ‘artisanal entrepreneur’ rather than artisan. It was demonstrated that AIP had occurred via physical and symbolic approaches. Physical approaches enabled enterprise growth without reaching economies of scale or compromising the level of labour input in the product. Symbolic approaches, potentially, act as substitutes (i.e. metonymic signifiers) for artisanal components and signify the whole product/business as authentically artisanal. Cohen’s concept of authenticity (i.e. authentic identity signifiers) and the notion that only specific diacritical traits need to be present in order to authenticate an artisanal product was used in the analysis.

A set of metonymic signifiers – which potentially substitute for the hand processing, artisanal business unit and product involvement component of artisanality – were developed. The hand processing metonymic signifiers included employees hand processing, lower levels of machine use, and the principal being heavily involved in the decision-making process. The product involvement metonymic signifiers included the principals’ application of intimate/in-depth knowledge of the raw agricultural product (i.e. general knowledge of the product itself and specific knowledge of the producers, climate, natural base, and the methods of production required); knowledge/information transmission and cooperation with other actors in the food chain; employees’ involvement with the product from start to finish; and, the principal being physically present/assisting with processing. The artisanal business unit metonymic signifiers included the principal’s social interaction with the customer; the principal’s physical presence and personal involvement in the business; and decision-making.

Thus, it is suggested that the ESACEs are still artisanal food production units but that the components of artisanality have been potentially substituted with alternative artisanal identity signifiers. These also align with the intangibles that were proposed in Chapter 6 and include such characteristics as care, time taken, passion, respect and creativity. Accordingly, the principals' values and beliefs have not been compromised and are still potentially being expressed through the preservation of artisanality; the intangibles; the defining characteristics of a cottage industry; and alignment with principles of the ERD model. The physical approaches to AIP (i.e. economies of scope, diversification and the capping of production) also enabled enterprise growth without reaching economies of size and impacting upon the labour to capital ratio.

The notion of the short food supply chain was also found to be meaningful as applied to the industry under study. The SFSC is a tool that is currently being used within the industry to preserve meanings attached to, and embodied within, the artisanal industry's products. Artisanality is signalled via the approaches to AIP, whilst the SFSC is a tool for preserving such meanings. Conversely, the SFSC is not just a preservation tool, it can also itself signal meanings, such as face-to-face interaction and close relationships between producer and consumer.

Thus, artisanality has been preserved due to the enterprises not attaining economies of scale; the retention of high labour input; and the preservation of a number of metonymic signifiers and intangibles. If these characteristics are an expression of the principals' values and beliefs, their preservation suggests that they have not come to resemble industrial agrifood processors as they have, for the most part, remained unaffected. In saying this, however, the research did not study conventional food processors and their values and beliefs, although, structure-wise, the enterprises have certainly not come to resemble industrial agrifood processing industries.

The exploration of Research Sub-Question 1.5 – *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?* – was also progressed in this chapter. In Chapter 6, it was shown that the enterprises under study aligned with the principles of endogenous development and that a model that recognised and used culture is more inclusive and is positioned to take advantage of a rapidly expanding market. In regards to the examination of Sub-Question 1.5, it was found that the physical and symbolic approaches that enable artisanal identity preservation upon expansion, aligned with principles of the

agroecological model of development. Two characteristics, in particular, were focused upon – the crisis of modernity and collective forms of social action. Of primary significance to this research is the “collective form of social action”, which personifies the notion of the ‘short food supply chain’ and the benefits associated with its use. Not only does the SFSC offer an instrument of development to those with fewer resources, but it is also a means of challenging socially and environmentally destructive agrifood production, consumption and distribution. Producers and consumers are able to share information that might otherwise be subordinated and are then able to select products based on a set of shared values and beliefs. In this way, the SFSC is a vehicle in which the preservation of meanings and identity can occur.

The following chapter, Chapter 8, will investigate another identity related to the research problem – the paradox of enterprise expansion and potential identity/meaning loss – and that is attached to the enterprises under study, *quality*. It was shown in the scoping study that the products these enterprises produce are quality food products. Thus, Research Sub-Question 1.2 and 1.3 – ***What contestations exist over the meanings of quality and how has it been reproduced over space and time?*** and ***How have the expanded enterprises managed to expand without losing quality meanings?*** – will be explored in Chapter 8. The investigation of the quality food identity in all of the enterprises under study will finalise the answering of the overarching research question: ***How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?***

Chapter 8

Quality Food Production: Construction, Contestation and Preservation in the Artisanal Food Industry in Tasmanian Agriculture

Introduction

An additional identity that potentially encompasses all of the characteristics and meanings discussed thus far is that of *quality*. Battles over quality food meanings are another arena in which actors' values, beliefs and resources compete to have their meanings chosen as the preferred meanings of quality. Once food competition was predominantly based around price; now it is contested and won over quality meanings (Marsden et al., 2000b). Thus, food quality struggles are a part of the politically charged food production and consumption process that is directed, in part, by cultural differences, ideologies and resource levels discussed at the beginning of Chapter 1. This chapter explores the quality tag that is attached to the products produced by the artisanal food industry in Tasmanian agriculture.

In considering the research problem – the paradox of enterprise expansion and identity preservation – quality is viewed as one such identity. Thus, this chapter investigates quality food preservation upon expansion. Firstly, however, in order to investigate preservation, the constructions and contestations of food quality that are associated with this industry will be explored via the investigation of Research Sub-Question 1.2: *What contestations exist over the meanings of quality and how has it been reproduced over space and time?* In so doing, the second part of the chapter utilises this analysis to investigate quality preservation upon expansion and Research Sub-Question 1.3 is explored: *How have the expanded enterprises managed to expand without losing quality meanings?*

This chapter is presented in two sections. The first section presents the self-definitions of quality by the enterprises under study; the potential, actual and competing constructions of quality that are applicable to the enterprises under study; and the short food supply chain's role in overcoming discursive dominance and the lack of resources. The second section explores quality preservation upon enterprise expansion. This includes potential areas where quality meanings can be lost, areas where quality has been preserved, and how the quality tag has been retained. To assist in the analysis, five

heuristic categories of quality were developed from the literature review, document research and fieldwork. The conventions theory of quality is also employed in the analysis.

This chapter contributes to answering the overarching research question – *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?* – and explores the paradox of expansion in the artisanal food industry in Tasmanian agriculture (i.e. the research problem).

The Social Construction of Food Quality: Discursive Dominance, Contestations and the SFSC as a Levelling Device

This section uses the five heuristic characteristics of quality (i.e. technical, place-based, environmental, socio-cultural, and production-related) to direct the exploration of Research Sub-Question 1.2 – *What contestations exist over the meanings of quality and how has it been reproduced over space and time?* (see Table 8.1).

TABLE 8.1: THE FIVE HEURISTIC COMPONENTS OF QUALITY AND CONCEPTUALISATION

The Five Characteristics of Quality
Technical
These characteristics of quality include texture, flavour, odour and appearance.
Place-based
Place-based characteristics of quality refer to the place of origin of a product and its raw materials, invoking the power associated with the meanings people attach to those places (Gieryn, 2000).
Environmental
These characteristics of quality refer to ecological-related activities such as: biodiversity preservation, minimal use of chemicals on raw agricultural produce, food transport miles – consumer knowledge of distance and fresh produce (not prolonged storage), healthy.
Socio-cultural characteristics
These characteristics refer to: social justice, local ownership, local employees, distribution channels, preservation of food culture, use of traditional techniques and knowledge, intimate knowledge of the land and product, face-to-face relationships with customers, transparency of producer's/processor's values and philosophies, trust between producer and consumer.
Production-related
These characteristics relate to the production/processing of the product: human input, minimal processing, care, time taken, limited production, limited scientific techniques, differentiation, quality raw agricultural produce, responsibility for entire food chain, industry-related food safety plan (HACCP), animal welfare, local resources utilised.

In addition to using the five heuristic components of quality to assist analysis, the conventions theory approach is applied to the investigation. Conventions theory does not view quality characteristics and meanings as apolitical or non-contextual; rather it embeds the product in a context (social and ecological) and sees quality as a constructed process that is negotiated between actors in the food chain. Marescotti (2000, p. 4) states that in the conventions theory approach, “rather than defining the quality of the exchanged good, it refers to the rules of the game and the role of the actor within the exchange.” The conventions theory approach recognises that a product is not produced, processed, distributed, sold and consumed in an apolitical backdrop. By incorporating actors and the context in defining quality (i.e. quality is value-adding/valuing economically), positive externalities (such as social and environmentally sustainable action) are included. This sits in opposition to the exclusion or omission of negative externalities (such as social and environmental degradation) which occur in neo-classical economic theory. Since quality is socially constructed, it is understandable that its definition involves achieving a shared understanding between actors, and that it is seen as much more than objectively transformed raw agricultural produce. As Wilkinson (1997, p. 318) suggests, in conventions theory:

rules are not prior to action nor are they elaborated from outside the action but emerge within the process of actor co-ordination. More specifically they represent a response to problems arising within such co-ordination and should be understood as mechanisms of clarification which are themselves also open to future challenge. They are therefore dynamic representations of negotiation and as such depend on the existence of prior commonalities among the actors involved. Such ‘common knowledge’ or ‘intersubjective identification of the rules’ does not exist in the abstract nor can it be known by an exercise of pure rationality. Rather it has to be recursively interpreted in given situations through the way in which actors relate to a common set of objects which are mobilised through their action. The qualification of objects therefore is simultaneously the qualification of the actors involved.

The conventions theory approach to defining quality is based on Boltanski and Thévenot’s (1999, p. 369) six “common worlds” which “describe justifications performed in the majority of ordinary situations”. These worlds or “orders of worth” include: (1) The Market World; (2) The Domestic World; (3) The Civic World; (4) The Industrial World; (5) The World of Renown; and (6) The World of Inspiration (Boltanski and Thévenot, 1999, p. 369-373).

Generally, five of Boltanski and Thévenot's (1999) six orders of worth are used in the conventions theory approach, market, domestic, civic, industrial and renown (also known as the opinion convention), with the inspiration convention being incorporated less often. These conventions can be used simultaneously when defining quality. Marescotti (2000, p. 4-5) refers to the five conventions as: (1) market: goods are exchanged based on price and quality is assessed during the transaction; (2) domestic: the exchange is based on face-to-face relationships and trust is built; (3) civic: quality is based on ascribing to "a nucleus of collective principles" and individuals put aside their own interests; (4) industrial: quality is assigned based upon the adherence to standards and rules; and (5) opinion: quality is justified on the opinion of other actors and reputations.

Murdoch, Marsden and Banks (2000) suggest that an *ecological convention* be added and refer to six conventions: (1) commercial (market), (2) domestic, (3) civic, (4) industrial, (5) public, and (6) ecological. Building upon Boltanski and Thévenot's (1999) additional world of *inspiration* – which so aptly applies to the artisanal food industry in Tasmanian agriculture – and Murdoch, Marsden and Bank's (2000) additional ecological convention, seven conventions are used here to analyse quality. These include: 1) commercial (market), (2) domestic, (3) civic, (4) industrial, (5) public, (6) ecological, and (7) inspirational (sometimes referred to as innovation in the literature) (see Table 8.2).

TABLE 8.2: BOLTANSKI AND THÉVENOT'S (1999) ORDERS OF WORTH

	MODE OF EVALUATION (WORTH)	FORMAT OF RELEVANT INFORMATION	ELEMENTARY RELATION	HUMAN QUALIFICATION
1. INSPIRED	Grace, Non-conformity, Creativeness	Emotional	Passion	Creativity, Ingenuity
2. DOMESTIC	Esteem, Reputation	Oral, Exemplary, Anecdotal	Trust	Authority
3. CIVIC	Collective Interest	Formal, Official	Solidarity	Equality
4. OPINION	Renown	Semiotic	Recognition	Celebrity
5. MARKET	Price	Monetary	Exchange	Desire, Purchasing Power
6. INDUSTRIAL	Productivity, Efficiency	Measurable Criteria, Statistics	Functional Link	Professional Competency, Expertise

Taken from Boltanski and Thévenot (1999, p. 368)

In exploring the social construction of quality as related to the enterprises/products under study, an examination of the *self-definitions* of quality will initially be conducted.

Self-Definitions of Quality by the SACEs and ESACEs

When asked about quality, the principals mostly provided technical attributes and subordinated the place-based, environmental, socio-cultural and production-related characteristics (see Table 5.11 and Table 5.12). Thus, the Cheese SACE, Wine SACE and the Cheese ESACE defined quality in terms of a “rating category”, “texture”, “flavour”, “tests up to the standard”, “bacterial count”, “pleasing to the palette”, and “meets the criteria”. Defining quality in such language indicates that the industrial convention is significant; however, throughout the interviews other characteristics of quality were also mentioned. For example, the Berry ESACE stated that “provenance” was a part of quality and that “there is a quality aspect in knowing who produces it and having trust in the producer.” This aligns significantly with the domestic convention in that the construction of quality is predominantly based on trust between producer and consumer. For the Wine ESACE, however, the added characteristic of quality referred to was that their wines were “interesting” and did not taste the same every year. This sits in opposition to the standardisation of taste and production that occurs in mass produced goods, and indicates that the industrial convention (measures, standards, rules) is used to a lesser extent in defining quality. It also aligns with the inspirational convention in that there is a sense of “non-conformity”, “creativity” and “ingenuity” (Boltanski & Thévenot, 1999, p. 368).

“Care” (of the raw agricultural product and whilst processing) was emphasised as a salient characteristic of quality by the Berry SACE principals. As was explained, care referred to: “care about the way the fruit’s grown and everything that happens to it after that.” Care is another aspect of the domestic convention and is based upon/builds “trust”, “esteem”, and “reputation” (Boltanski & Thévenot, 1999, p. 368).

Despite the reference to non-technical characteristics, it was found that amongst the enterprises under study, the principals defined quality mostly in terms of technical characteristics. This was a particularly interesting finding and a potential area for future study given that there were so many other characteristics of quality that could have been mentioned. It is proposed that perhaps these replies are framed in language that is seen as more legitimate. The answers sit within the industrial convention, which is primarily used by dominant interests within the global marketplace to define and signal quality.

The following section employs the five heuristic characteristics and conventions theory in order to analyse quality as it relates to the enterprises under study. Actual constructions of quality currently being drawn upon, potential constructions of quality that could be used, and competing constructions of food quality will be explored.

Technical Characteristics

Criteria and Standards

Common signifiers of food quality are the set of physical characteristics that a product possesses, such as texture, flavour, odour and appearance. As has been demonstrated, quality amongst the case studies is often associated with technical characteristics. These technical characteristics are also inextricably linked with artisanal production. For example, the Berry SACE suggests that the berries in the jam are “cooked with care to preserve the flavour.” The Wine SACE refers to their 2003 Collina Chardonnay’s flavour as representing “the unique terroir of our hillside vineyard and artisan winemaking” (<http://www.stefanolubiana.com/>). Another sensory characteristic referred to is: “this low yielding vintage is showing exquisite dimensions and layers of complexity.” The Cheese SACE states that the Blue By Ewe cheese “is made in the traditional Roquefort style, hand salted using Murray River Gourmet salt and naturally rinded. The cheese has subtly sweet characteristics of the underlying sheep milk. A delightful full-flavoured blue.”

In today’s food market, however, where ethical consumption and food safety is an increasing concern, consumers use much more than technical characteristics to construct quality. The following seeks to demonstrate some of these additional characteristics as applied to the enterprises under study.

Place-based Characteristics

The first of these additional characteristics of quality is that of place-based, which refers to a product’s place of origin and the meanings that people attach to these places (Gieryn, 2000).

For the Cheese SACE, place-of-origin is signified by the Tasmanian Organic-Dynamic Producers’ (TOP) logo and the face-to-face interactions with consumers at the farm gate. This potentially taps into the ‘clean, green and safe’ identity and other images of the food industry in Tasmanian agriculture, such as boutique, artisanal and small-scale. This link to place, social interaction between producer and consumer at the farm gate,

and the trust that results, indicates that the domestic convention is potentially used in defining quality.

TASMANIAN ORGANIC-DYNAMIC PRODUCERS' LOGO



In relation to the place-of-origin characteristic and the Berry SACE, product labelling refers to Tasmania, with some of their jams displaying the *Royal Agricultural Society of Tasmania* medal (i.e. a *National Fine Foods Award*). In similar circumstances to the Cheese SACE, the Berry SACE sells all but a few bottles of product within Tasmania. Thus, despite not participating in direct selling, it is suggested that this link to place and consumer knowledge of the farm/processors (through the popularity of the business and frequenting of markets/presentations) develops trust and signifies that the product is of quality. The use of the award sticker on jars demonstrates that quality is potentially defined through the opinion convention.

For both of the Wine producers, the notion of terroir and place-of-origin perhaps features more than in any other product. The Wine SACE promotes Tasmania on all labels and the link to place also features in face-to-face cellar door sales. Thus, the domestic convention is potentially used in defining quality. Cellar door sales in the Wine ESACE also demonstrate the face-to-face relationship and the development of trust. For those distant consumers, where cellar door sales are not an option, the signalling of past awards sits within the opinion convention.

The Cheese ESACE emphasises place-of-origin on their labels. Lush mountains and crystal-clear streams are exhibited on their label and, as stated on their website, the product is sourced from the “clean green environment of Northern Tasmania” (Westhaven Dairy, 2003). This link to place indicates that the domestic convention and the ecological convention are significant in defining quality. By contrast, linking

production to place is not completely necessary for the Berry ESACE, which sells products on-farm in their fruit centre and the wines and liqueurs within Tasmania.

This link to place and the Tasmanian identity are used in building a 'sense of place' that in turn is attached to and embodied within the product and consumed. Thus, place means much more than the ecological characteristics in which the raw product is grown, but encompasses socially constructed meanings associated with place. This phenomenon contrasts with industrial agriculture, where the raw product is not attached to place as different nodes of the food chain are spatially extended and anonymity prevents a 'sense of place' from being transmitted and consumed.

Environmental Characteristics

As a region, Tasmania is portrayed as 'clean, green and safe'. The state has a moratorium on genetically modified organisms and is an isolated island with strict quarantine regulations. Thus, there are significant opportunities for the small-scale food producer to use environmental characteristics of quality (inextricably linked with place-based characteristics) as a point of differentiation.

Biodiversity Preservation

The preservation or protection of biodiversity sits in opposition to monoculture that is associated with the agro-industrial model of development. Monocultures create:

environmental simplification and genetic erosion. History has repeatedly shown that uniformity characterising agricultural areas sown to a smaller number of varieties is a source of increased risk for farmers, as the genetically homogenous fields may be more vulnerable to disease and pest attack. (Altieri, 1996, webpage)

Overt signalling of biodiversity preservation amongst the enterprises occurs only in the Cheese SACE and the TOP logo referred to previously. It is here that the ecological (organic), civic (collective good of society) and opinion conventions (reputation of others) are potentially used in defining quality.

The environmental characteristic of quality is a meaning that the enterprises can draw upon in that the Berry SACE uses minimal amounts of chemicals and preservatives, the Wine SACE is converting to organic for the taste but will not seek certification, the Berry ESACE uses minimal chemicals and refers to natural methods of pest control, and the Wine ESACE has ceased environmentally degrading farming and referred to

the use of Integrated Pest Management. Furthermore, non-reliance upon intensive agriculture *could* offer opportunities to signal biodiversity preservation. In relation to the vignette industries, much of the raw agricultural produce is sourced from residential yards, where the typical array of fruit trees and vegetables are planted. The sourcing from backyards and neighbouring properties contrasts with intensively farmed monocultures and contests quality meanings that are associated with the industrial agrifood sector.

Minimal Use of Chemicals on Raw Agricultural Produce

Due to Tasmania's cool, temperate climate and its relative isolation, the state experiences less pests and diseases than other Australian states. Moreover, because the raw agricultural inputs on each farm are not produced using intensive farming methods, there are possibly lower levels of chemical inputs. The Cheese SACE uses the TOP logo, whilst the Berry SACE does not signal its level of chemical use. Nonetheless, during the interview the female principal suggested that they are very aware of pesticides and chemical residues. The Wine SACE uses no pesticides and is moving towards organics. Despite this, the female principal suggested they would not become certified and probably would never advertise it because it might suggest they are "backyarders". The Berry ESACE does convey the minimal use of chemicals on their website. Thus, the minimal use of chemicals is *potentially* a significant characteristic that these enterprises can draw upon in conveying quality, as it contrasts with the intensive chemical use in industrial farming. However, only one enterprise *actually* emphasises this characteristic (i.e. the Cheese SACE) (see Table 8.3).

TABLE 8.3: ENVIRONMENTAL CHARACTERISTICS OF FOOD QUALITY: ACTUALITIES AND POSSIBILITIES AS APPLIED TO THE SACES AND ESACES

Environmental Characteristics of Food Quality	Possible Quality Signifier		Actual Quality Components Signified/referred to	
	SACE	ESACE	SACE	ESACE
Biodiversity Preservation	Yes	Yes	Only cheese	None
Minimal Use of Chemicals on Raw Agricultural Produce	Yes	Yes	Only cheese	Berry
Food Transport Miles (in kms)	Yes	Yes	No	No
Healthy	Yes	Yes	Cheese	Cheese

Food Transport Miles/Energy Efficiency

Low food miles are increasingly seen as an important environmental aspect of quality food. Amongst the concerns associated with high food miles is the energy use involved in transportation, which has negative ecological impacts. For the small-scale food

processor, the low food miles involved in the food chain are an opportunity for value-adding and reducing negative environmental impacts. New trends in reducing food miles are evidenced in the signalling of food miles on restaurant menus and product logos. In direct selling, food miles are inconsequential; however, for consumers that do not possess knowledge or direct experience, food miles are a valuable way to signify environmental characteristics.

Apart from the Wine SACE's reference to the winery being "conveniently located where it is needed, close by the vineyard" (SLW, 2003, webpage) or the Berry ESACE's mention that "our unique jams, vinegars, chutneys and pickles are cooked in our kitchen on the farm and visitors frequently experience the aroma of cooking smells as they enter the tearooms" (Sorell Fruit Farm, 2003), food miles are not signalled. For the Cheese ESACE, short food miles are indirectly signalled by referring to the time lapse between milking and processing: "at Westhaven, we pride ourselves in producing fresh and quality yoghourts made shortly after milking." As such, food miles are a possible environmental characteristic of quality that is valued because of its contrast with long food miles in the conventional food system.

Healthy

Healthy is a prominent meaning of food quality in today's marketplace. Foods are viewed of quality if they possess specific vitamins and minerals, are not grown with chemicals, and are created with minimal processing. In this respect, healthy is associated with the other characteristics discussed so far (organic, low food miles) and are applicable to, in particular, the sheepmilk and goatmilk products. The cheese enterprises do attach the healthy food quality meaning to their products.

Other potential examples of the healthiness aspect of quality, as related to the enterprises under study, include the Berry SACE's philosophy of making their jams with "minimal sugar" and "no artificial preservatives". Whereas, the Wine SACE promotes their organic philosophies for quality wine production (i.e. "organic philosophies") (<http://www.stefanolubiana.com/>). The Cheese ESACE promotes their raw milk as coming from the clean and green environment in Northern Tasmania, whilst the Berry ESACE refers to the health benefits of limiting pesticide use.

Socio-cultural Characteristics

Socio-cultural characteristics are an area of ethical food consumption. Examples of the increased recognition of these characteristics are the creation of formal labels that recognise social issues, such as fair trade and corporate social responsibility.

Social Justice

Social justice considerations, particularly child labour and work and pay conditions, are of increasing importance to a certain segment of consumers. Social justice is now a significant factor in the ethical consumption of products, from investing in shares to the purchasing of shoes. This aspect of quality is most applicable to developing countries because of the protectionism that Australia's labour laws provide. However, there are certain characteristics which may apply to the Tasmanian situation that are not covered in legislation, such as the use of local labour rather than outsourcing labour (where possible) and an inclusive workforce/community. Social justice is a potential characteristic that could be further explored and signified as it relates to the enterprises under study. Other social and cultural considerations that have been incorporated in this characteristic of quality include the preservation of food culture; face-to-face interactions between producer and consumer, and the use of traditional processing methods (see Table 8.4).

Local Ownership

Local ownership, like the link to locality/place, can promote trust and consumers may purchase the product based upon this characteristic. In doing so, the civic convention might be potentially used in defining quality as consumers are putting aside their own interests in order to benefit the collective good (i.e. locally owned businesses that benefit surrounding communities). This sits in opposition to those enterprises that align with exogenous development and are owned by external interests. The Cheese ESACE's yoghurt labels signal local ownership by referring to *100% Tasmanian owned*. For the Berry ESACE, the website also refers to a "family business".

Local Employees

Employing local labour, a characteristic of endogenous regional development, could also potentially signal quality to the consumer by using the civic convention. This characteristic is implied by other signifiers, such as Tasmanian owned and operated.

TABLE 8.4: SOCIO-CULTURAL CHARACTERISTICS OF FOOD QUALITY: ACTUALITIES AND POSSIBILITIES AS APPLIED TO THE SACES AND ESACES

Socio-cultural Characteristics of Food Quality	Possible Quality Signifier		Actual Quality Components Signified	
	SACE	ESACE	SACE	ESACE
Social Justice	Yes	Yes	No	No
Local Ownership	Yes	Yes	Yes	Yes
Local Employees	Yes	Yes	Implied by other signifiers	Implied by other signifiers
Preservation of Food Culture	Yes	Yes	Yes	Yes
Use of Traditional Techniques and Knowledge - traditional knowledge transmission	No	No	No	No
Intimate Knowledge of the Land and Product	Yes	Yes	Yes	Yes
Face-to-Face Relationship with Customers	Yes	Yes	Yes – diverse	Yes – diverse
Transparency of Producer's/ Processor's Values/Philosophies	Yes	Yes	Yes	No

Preservation of Food Culture

The preservation of food culture relates not only to the cultural traditions surrounding food but also to production methods that are unique to specific districts and to the raw agricultural product that requires a particular method of processing. This characteristic specifically refers to a scenario where the same family has been involved in artisanal production methods for generation after generation and where there is transmission of production techniques and knowledge. For example, where a family member is using the same production methods and knowledge as was done generations before. It becomes a tradition. The agro-industrial model (i.e. intensive agriculture and bulk food production) and exogenous agri-development do not offer a context that is conducive to the preservation of food culture. In this respect, Australia and Tasmania are different to areas in the world that are steeped in centuries-old food culture. Perhaps it is that food culture in Tasmania is more about the social relationships and the building of social capital surrounding food consumption than the actual traditions itself. In saying this, however, artisanality and other manifestations of the principals' values and beliefs do align somewhat with this characteristic and they are signified in various formats (i.e. hand made, care, passion).

Use of Traditional Techniques and Traditional Local Knowledge

The use of traditional techniques and local knowledge is related, in part, to the preservation of culture. In regards to the case studies, six are newcomers to Tasmania and some of the products are new to the region. In the Cheese enterprises and the Wine SACE, old knowledge has been acquired and adapted to the new environment (Tasmania). For example, the male principal of Tasmanian Highland Cheeses won a scholarship and travelled to England to learn the craft, whilst the female Cheese ESACE principal contacted traditional French cheesemakers. Thus, this characteristic is not applicable as it is defined here and is not used to signal quality.

Intimate Knowledge of the Land and Product

Intimate knowledge of the land and product is located in opposition to the production, processing and distribution that occur in the agro-industrial model. Intimate knowledge was explored in Chapter 7 and was found to act as a potential artisanal identity preservation strategy (i.e. symbolic) in the expanded enterprises, while the product involvement component in the SACEs and vignettes demonstrated intimate knowledge of the land and product. This characteristic is signified via artisanality and is certainly a value-adding activity that could be used in constructing quality.

Face-to-face Relationship with Customer/Transparency of Values and Philosophies

The notion of the face-to-face relationship, or the closing of the ‘intellectual’ gap, between producer and consumer has been a central idea running throughout this thesis. This relationship builds trust and, consequently, the domestic convention is potentially used in defining quality. A transparent process offers the food processor the opportunity to express their values and beliefs. For example, the Cheese SACE signals organic food production, which is a statement/expression of their values and beliefs. Artisanality can also be viewed as an expression of the principals’ values and beliefs and is made transparent through the use of such signifiers as handmade and homemade. The Wine SACE does signal information about the principals’ values and philosophies to some extent, however, the full force of their passion and motivation is not recognised until you meet them face-to-face and interact. A similar scenario exists in the Cheese ESACE, where the processors’ values and beliefs are only fully transmitted upon interaction. This was demonstrated when the female principal stated that:

I guess the major thing that’s kept me going is the major fact that I really, really love the dairy goat and I just refuse to give up on telling people just how good that animal is, and just how good the product is that you make from it, like health-wise.

The values and beliefs of the Berry ESACE are not transmitted in labelling, with the website referring more so to the principals' philosophies. This characteristic is a food quality meaning that industrial agrifood processors might try to, but cannot, imitate (such as a company's values or mission being displayed on packaging). Consequently, this characteristic provides considerable value-adding opportunities to the artisanal food industry. Once again, the domestic convention is potentially the most applicable in defining quality by instilling trust and, in many transactions, face-to-face interaction.

Production Characteristics

The final characteristic of quality is that of traits related to production/processing.

Human Input

The human input component refers to the notion that a quality product is not simply made from quality raw produce or grown in particular soil/weather conditions, but is also a product of the knowledge and skill of the processor. The finding that artisanality is meaningful as applied to both the SACEs and ESACEs indicates that human input (i.e. high labour input) is an applicable characteristic and is currently being used as a value-adding tool.

TABLE 8.5: PRODUCTION-RELATED CHARACTERISTICS OF FOOD QUALITY: ACTUALITIES AND POSSIBILITIES AS APPLIED TO THE SACEs AND ESACEs

Production Characteristics of Food Quality	Possible Quality Signifier		Actual Quality Components Signified	
	SACE	ESACE	SACE	ESACE
Human Input	Yes	Yes	Yes	Yes
Care/Time Taken	Yes	Yes	Yes	Yes
Limited Production	Yes	Yes	Yes but through <i>cottage industry</i> and <i>artisanal</i> tags	
Differentiation	Yes	Yes	Yes	Yes
Food Safety Plan (HACCP)	Only Cheese	Only Cheese	No	No
Animal Welfare – only applicable to the Cheese units.	Yes	Yes	Yes	No

Care/Time taken

Care was previously discussed in the self-definitions of quality provided by the enterprises and is one of the processors' intangibles that is potentially an expression of the principals' values and beliefs. For the Cheese SACE, care is signified in their production methods and their concern for the environment and animals. As the female

principal of the Cheese SACE stated, “I basically became very concerned about the earth and what we were doing to it and also about my role in that.” The Wine SACE referred to care by suggesting that “we grow our grapes with great care” and that “it’s more than just a business”, with their goal to be “producers of hand-crafted wines, rather than beverage producers: alcohol beverage producers, which is what we would consider ourselves if we were to stay in the Riverland area.” For the male principal of the Berry ESACE, care was mentioned while discussing authenticity, suggesting that “I think authenticity carries with it a feeling that you take considerable personal care in the preparation of the product; hence you can vouch for its qualities.” The trust between producer and consumer that care creates suggests that the domestic convention is potentially used in defining quality. The amount of time taken to produce the product is very much related to the care component and contrasts with the high levels of machine use in industrial agrifood processing. The trust that is built between producer and consumer suggests that the domestic convention is potentially used in defining quality.

Limited Production

Producing or processing limited quantities, as evidenced in the physical approaches to AIP, can signify quality food meanings. This characteristic is perhaps one of the most significant value-adding potentialities that exists for the artisanal food industry and contrasts significantly with mass production and an economy of scale operation.

Differentiation

Differentiation, as opposed to standardisation, potentially signifies quality meanings to food consumers. Standardisation refers to the use of rules, measures and criteria that ensure that each product is the same and draws upon the industrial convention in defining quality. However, in differentiation, processing occurs around the differences in the raw agricultural product and the processors’ human input. It is here that the inspirational convention of quality is most applicable. This characteristic personifies the “passion” that the principals possess—their “non-conformity”, “creativeness”, and “ingenuity”—all of which are situated within the “inspired order of worth” on which the inspired convention is based (Boltanski & Thévenot 1999, p. 368). Thus, despite the powerful contestation of quality food meanings associated with standardisation (as seen in mass production and food safety-related meanings), the inspirational world offers significant opportunities for value-adding to the enterprises under study.

Animal Welfare

Animal welfare is another potential meaning of food quality that applies to the Cheese enterprises. Much like the berry and wine sub-sectors, the lack of reliance on industrial farming (because of low production) is more conducive to the humane treatment of animals (although this is not always the case). Animal welfare is particularly signified by the Cheese SACE principals, who describe their sheep as “the girls” and convey associated humane meanings.

Food Safety Plan

Food safety is a dominant meaning in the food quality discourse. Advances in agricultural technology (i.e. enabling intensive agrifood production) and the globalisation of the agrifood system have produced negative environmental and social impacts that are, in part, driving the push for food safety. These include the intensive use of chemicals and preservatives in agriculture and food, the use of genetically modified organisms, and bacteria conducive environments that result from spatially dispersed production and processing. Additionally, intensive livestock production that produces environments favourable to disease, which are transferable to humans upon consumption (such as mad cow disease), have seen food safety meanings become a major player in the food quality discourse. Moreover, big industry is benefiting from food safety becoming a dominant food quality meaning. This push has presented significant value-adding opportunities for the most resourceful in the marketplace, with the outcome being that the food safety meaning is increasingly being chosen as the preferred meaning within the food quality discourse. Although a condition of market access, large retailers are increasingly introducing food safety plans for suppliers that go above and beyond those of government. One example of this is the Woolworths Quality Assurance Standard, which states that:

All Trade Partners both local and international that are suppliers of Fresh Food or Woolworths Brands products to Woolworths are required to attain certification to the Woolworths Quality Assurance (WQA) Standard, in addition to existing regulatory or voluntary audits that may be currently in place.

It is those processors that can afford to adhere to these stringent food safety plans of the largest retailers that are able to gain access to these markets. Although the enterprises in this project do not target such markets, there are flow-on effects (both positive and negative) for the food industry worldwide as a result of this push for food quality and safety.

The implications of food safety being a dominant and preferred meaning of food quality suggests that other meanings are at risk of being subordinated. Those industries that cannot afford to implement costly and intensive food safety plans, or even those that can but find it a strain, are negatively impacted financially and symbolically.

Collectively, the lack of material resources by the smallest processors (who advocate not just food safety but often different meanings of food quality) also suggests that they lack the finances to promote (i.e. in the form of symbolic resources) these alternative meanings. This is not to neglect the opportunities that dominant food safety meanings have had for small-scale food processors, but rather in a market overwhelmed with official recognition; those food products that adhere to this above and beyond certification are symbolically richer and potentially more attractive to the consumer, whilst alternative meanings are possibly secondary.

Amongst the enterprises under study, it was found that one of the most significant inhibiting factors to success is *food safety legislation*. This legislation is also an issue for the largest of the small-scale processors. Although somewhat benefiting them (i.e. a segment of consumers associate their practices with food safety), food safety legislation is essentially a barrier to trade, with not only the costs being prohibitive but also the actual labelling requirements confusing. Thus, by not implementing such strict and expensive food safety plans in a marketplace where food safety is a dominant food quality meaning, the enterprises' food products can potentially be seen as unsafe and not of quality. However, for the artisanal food industry, other actions and signifiers signal safe food and quality meanings, such as face-to-face interactions, trust, and being able to see where and how the food is produced. That is, transparency (i.e. the short food supply chain) for these enterprises is significant in overcoming dominant food quality meanings.

Apart from the local council, there are certain producer organisations and larger retailers that require food safety above and beyond local council requirements. For the Cheese SACE and ESACE, the *Hazard Analysis Critical Control Point* (HACCP) system, a formal food safety certification, is required by the Dairy Authority and retail outlets. The Berry and Wine SACE and ESACEs are subject to local council regulations. The HACCP certification does not appear to be emphasised by the Cheese enterprises in selling their product. As HACCP sits within the industrial convention and by downplaying this meaning of food quality, it suggests that the principals do *not* view this as significant in defining a quality product. Thus, although the Cheese industries are required by law to follow HACCP, the fact that other characteristics already

mentioned build trust and signify safety, suggests that other conventions (e.g. domestic, ecological) are potentially more significant in defining quality.

Summary: The Role of the Short Food Supply Chain in the Quality Food War

The previous section demonstrated actual, potential and competing constructions of quality associated with the enterprises under study. In so doing, it was shown how the artisanal food industry in Tasmanian agriculture competes in the food quality war; the alternative meanings they use to promote their products, and areas where opportunities exist. It was shown that, potentially, the inspirational, domestic, ecological and civic conventions are the most significant conventions in defining quality in the artisanal food industry; whereas the industrial, opinion and market conventions are used less and not considered as important.

When asked to define quality, the processors themselves primarily responded with technical characteristics (such as taste, colour and aroma) and for the most part ignored other attributes. It is suggested that these replies were framed in language that is seen as more legitimate as they sit within the industrial convention that is used by dominant interests within the global marketplace to signal quality. Throughout the interviews, however, they referred to alternative food quality meanings, such as the intangibles and artisanal identity metonymic signifiers.

Characteristics more conducive to social and ecological sustainability are valued. In placing added value on these products, agricultural producers and food processors are encouraged and paid to produce such goods. Additionally, by making this information transparent (i.e. through short food supply chains) rather than anonymous, the consumer is presented with the ability to choose. The consumer can opt to consume a food product that is produced and processed using methods more conducive to sustainability. This incorporation and valuation of positive externalities sits in opposition to the exclusion of negative externalities (such as social and ecological degradation), which occurs in the neo-classical economic model. Thus, by incorporating positive social and ecological externalities in the valuing of a product, sustainable development is more achievable. For example, consumers pay for the sustainable use of the natural environment, the building of social capital (i.e. face-to-face relationships), local ownership, and the use of local produce. This contrasts with a product that has been produced from a form of agriculture that is environmentally degrading, where social capital is destroyed rather than built, or where agriculture is sourced externally despite

its local production. This is one way that large agrifood producers/ processors keep prices per unit low.

By using conventions theory, this analysis also demonstrated areas in which the enterprises under study can differentiate their products (i.e. contestations over food quality meanings) and where industrial food processors cannot compete. For example, the inspirational convention is associated with the high level of human input and intimate knowledge of the product, which is not present to such an extent in the conventional food system. The domestic convention and face-to-face relationships between processor and consumer do not occur in the industrial food system.

Whilst conventions theory can be used to demonstrate areas of opportunities and be used to value characteristics that are conducive to social and environmental sustainability, there is an even greater concern that has the potential to seriously damage the artisanal food industry, access to the food quality discourse. It is the short food supply chain that offers significant opportunities in this regard. Developing SFSCs in the agrifood sector not only assists food processors by bringing producers and consumers together who subscribe to the same conventions of quality, but also offers a method of challenging unsustainable industrial agriculture. Another reason why SFSCs should be developed to facilitate the success of the artisanal food industry in Tasmanian agriculture is the potentialities that this arrangement offers for overcoming dominance of the food quality discourse. Effectively a trade barrier, dominant meanings of food quality can be challenged by competing constructions, which are preserved in the SFSC.

Thus, the SFSC offers the ideal setting in which to express competing constructions (to the hegemonic) of quality food. In the tradition of Habermas's theory of communicative action, the promotion of the SFSC offers a somewhat closer model to the ideal speech situation than what exists currently. That is, Skollerhorn (1998, p. 558) suggests that the ideal speech situation refers to a scenario in which:

Every committed participant has the ability to distinguish between a genuine and a manipulative agreement, where the genuine agreement is only based on the 'force of the better argument'. In such a transparent situation there is communicative equality in beginning and continuing a discussion, and equal opportunities to present arguments and choose between them. This means that all suggestions must be considered by the committed participants. The exclusion of any assertions is not permitted and all assertions must be able to be criticised.

In relation to the food industry, an argument is manipulative if the negative externalities are excluded or where material resources afford an overabundance of symbolic resources; so much so that the meanings signified are potentially seen as the preferred meanings of food quality without giving a second thought to competing constructions. To have a chance at evening up the ‘playing field’ by promoting alternatives to the dominant food safety meaning, some sort of tool is required. It is the SFSC that provides this tool and enables those with less material resources to promote competing constructions of food quality (such as artisanality, face-to-face interactions). The SFSC offers a platform that is more conducive to the notion of ‘discursive democracy’, where dialogue is free and open regardless of uneven material and thus symbolic resources (Dryzek, 1996). It is proposed that rather than having their meanings of quality subordinated by larger organisations with more material and thus symbolic resources, the SFSC at least presents a voice for alternative constructions of food quality. This is not to suggest that just because their meanings are more conducive to social and environmental sustainability that they will be chosen (as suggested by Habermas’ ideal speech situation with the better argument winning), but it does at least enable contestation in the first place.

Additionally, the under-signification of quality (potential minus actual quality meanings signalled) amongst the enterprises researched here is possibly adequate for the local consumer who has knowledge or direct experience of the processors and businesses; however, for those long distant consumers, the lack of signification is of concern. That is, “spatially extended” short food supply chains enable information to be preserved in long distance markets (Marsden et al., 2000a, p. 426). Concern over the lack of signification in these products is of particular importance because development potentially indicates increases in exports (i.e. shifting to distant markets) and competition with imports (i.e. import replacement). Prospectively, all of these factors draw upon these quality meanings in selling their product. Quality meanings associated with the industry under study and contestations to these meanings are especially salient considering that:

- the small-scale food industry in Tasmanian agriculture *is* developing rapidly;
- product saturation is occurring amongst specific products because of the limited regional population;
- it is the *Tasmanian Food Industry Strategy*’s mission to “double annual turnover from \$1.7 billion to \$3.4 billion by the year 2010” (FICT, 2000, p. 3);

- *Tasmania's State of Growth* report proposed increases in the “output in the value-adding sector in the range of \$250 million, with a further 1,000 jobs, by 2008” (DPIWE, 2003, p. 10); and,
- there is a shift towards formal labelling schemes and standards in the marketplace, which draw on competing constructions of quality.

Alongside these concerns over food quality in the industry under study, is the potential loss of quality meanings as these enterprises expand. Much like the artisanal identity, it is suggested that the very quality characteristics that were present in the first place could be lost upon expansion. However, the enterprises under study have managed to preserve their quality meanings upon expansion. Thus, the following section seeks to explore quality preservation upon enterprise growth.

Quality Preservation and Enterprise Expansion

Much like artisanal identity preservation (AIP) in the ESACE, specific quality characteristics/meanings can also be lost upon expansion. At best, some quality meanings could be lost; at worst, the entire product could lose its quality status. For example, before expansion, a small-scale food processing unit might produce very low quantities of product, have face-to-face interactions with consumers, and align with low food miles (all considered quality characteristics). However, upon expansion, the enterprise might increase the quantity of units produced; reduce the level of face-to-face interactions with its customer base, and extend food miles significantly. In such a scenario, the enterprise's products could lose their quality image, retain a quality tag, or be viewed as being of less quality. Despite the possibilities of quality meaning loss, however, each of the three ESACEs have expanded and preserved their quality identity. Thus, this section investigates Research Sub-Question 1.3: *How have the expanded enterprises managed to expand without losing quality meanings?*

Potentialities: Quality Meaning Loss and Enterprise Expansion

Quality food meanings are potentially lost upon expansion as a result of scale, spatial and time dimensions. For example, increases in the quantity of units processed could affect quality meanings (such as limited production or small-scale) that are attached to the product (i.e. the scale element). Additionally, an increase in size could necessitate a shift into further distant markets (i.e. the spatial element). Quality meaning loss, as a result of spatial extension, could be associated with the need to source raw agricultural produce off-farm or purchase additional land in order to source the increased level of inputs. Spatial expansion might generate a widening of the producer-consumer

relationship, where anonymity in the food chain increases and transparency decreases. The time characteristic refers to quality as a socially constructed, dynamic process that is constantly changing and competing.

In investigating areas where quality meaning loss could *potentially* occur, the five heuristic components of quality will be applied to the ESACEs (see Table 8.6). In relation to the *technical* characteristics of food quality, increases in production might see the modification of recipes or production techniques, which could alter specific physical characteristics of the product. In relation to the place-based characteristic of quality, development of the industry might interfere with the image of Tasmania as an artisanal food producer or a place where alternative agrifood practice is a defining characteristic of its identity.

Alternatively, increases in scale might contradict with the image a consumer has of Tasmania, and the lack of coherence might result in the loss of quality meanings. If, upon expansion, operations do not remain geographically confined (i.e. sourcing raw agricultural produce from the mainland or distancing production and processing facilities) quality meanings may also be lost (i.e. the spatial dimension). The potential loss of quality meanings tap into the larger image of ‘sense of place’, rather than just referring to the alteration of structural characteristics.

Quality meaning loss can also occur in relation to the *environmental* characteristic of quality. For example, increases in the volume of raw agricultural product required and modification of farming techniques to cope with these increases could affect quality characteristics such as biodiversity, minimal use of chemicals, food miles, place-of-origin and healthy. In regards to the *socio-cultural* characteristics of food quality and quality meaning loss upon expansion, characteristics such as local ownership, employment of local labour and face-to-face relationships could be amongst those quality characteristics that are lost. It is the *production* characteristic of quality that perhaps has the most to lose in terms of quality meaning loss upon expansion. For example, an increase in the level of mechanisation employed to cope with quantity increases might adversely affect quality characteristics that relate to artisanality, such as human input, minimal processing, care and time taken (i.e. the scale dimension).

TABLE 8.6: POTENTIAL AREAS OF QUALITY MEANING LOSS (QML) AND PRESERVATION OF QUALITY MEANINGS IN THE ESACES

Characteristics of Quality	Potential Quality Loss	Quality Meanings Potentially Preserved		
		Cheese	Berry	Wine
Technical Characteristics of Food Quality				
-Texture, flavour, aroma and appearance	No	Yes	Yes	Yes
Place-based Characteristic of Food Quality				
- Place identity and image	Yes	Yes	Yes	Yes
Environmental Characteristics of Food Quality				
-Biodiversity Preservation	Yes	Yes	Yes	Yes
-Minimal Use of Chemicals on Raw Produce	Yes	Yes	Yes	Yes
-Food Transport Miles (in km)	Yes	No	NA	No
-Healthy	Yes	Yes	Yes	Yes
Socio-cultural Characteristics of Food Quality				
-Social Justice	Yes	Yes	Yes	Yes
-Local Ownership	Yes	Yes	Yes	???
-Local Employees	Yes	Yes	Yes	Yes
-Distribution Channels	Yes	No	No	No
-Preservation of Food Culture	Yes	NA	NA	NA
-Use of Traditional Techniques and Knowledge	Yes	NA	NA	NA
- from non-traditional knowledge transmission	Yes	Yes	Yes	Yes
-Intimate Knowledge of the Land and Product	Yes	Yes	Yes	Yes
-Face-to-Face Relationship with Customers	Yes	Yes	Yes	Yes
-Transparency of Processor’s Values/Philosophies	Yes	Yes	Yes	Yes
-Trust Between Producer and Consumer	Yes	Yes	Yes	Yes
Production Characteristics of Food Quality				
-Human Input	Yes	Yes	Yes	Yes
-Minimal Processing	Yes	Yes	Yes	Yes
-Care	Yes	Yes	Yes	Yes
-Time Taken	Yes	Yes	Yes	Yes
-Limited Production	Yes	Yes	Yes	Yes
-Limited Scientific Techniques	Yes	Yes	Yes	Yes
-Differentiation	Yes	Yes	Yes	Yes
-Quality Raw Agricultural Produce	Yes	Yes	Yes	Yes
-Responsible for Entire Food Chain	Yes	Yes	Yes	Yes
-Animal Welfare	Yes	No	NA	NA
-Local Resources Utilised	Yes	Yes	Yes	Yes
-Location of business	Yes	No	Yes	Yes
-Artisanal identity preservation	Yes	Yes	Yes	Yes

Quality Preservation Upon Expansion

Despite expansion, it was shown in Chapter 7 that the ESACEs had not achieved economies of scale and that production was still labour-intensive. This had been achieved by the physical approaches to AIP, which included economies of scope, diversification and the capping of production. In relation to the *environmental* characteristics of quality, biodiversity quality meanings have been retained as the

enterprises are not reliant upon industrial agriculture, which is associated with intensive chemical use, high levels of mechanisation and monoculture (see Table 8.6). As was shown in the analysis of endogenous regional development in Chapter 6, all produce used by the ESACEs is sourced regionally (except for the pasteurised fruit in the Cheese ESACE who cannot source locally) and the bulk of their product is sold within Tasmania, thus preserving low food miles.

The *place-based* characteristic of quality is another aspect that is at risk of being lost upon expansion. However, this characteristic is preserved by sourcing the required additional raw product from within the region/sub-region, rather than sourcing externally. By sourcing off-farm, but within the region, the enterprises were able to preserve this identity and remain small-scale. In actuality, the consumer might be unaware of the producer and methods of production; nevertheless, place-of-origin can develop the trust that is required to signal a quality product.

Those *socio-cultural* characteristics of quality that are at risk of being lost upon expansion – such as local ownership, local employees, face-to-face relationships and the transparency of the processor's values and philosophies – have also been preserved. In regards to the final characteristic of quality, *production-related*, it has been suggested that there is a significant risk that this attribute could be lost. However, despite expansion, the production-related characteristics, such as human input, minimal processing, care, time taken, limited production, limited scientific techniques, and location of business have been preserved.

In summary, although there are potentially many quality characteristics that are at risk of being lost upon expansion (via scale, spatial and time dimensions), the three ESACEs and their respective products have preserved their quality identity (see Table 8.6). The social construction of food quality encompasses a wide range of meanings, so much so that the characteristics and meanings referred to in Chapter 6 and 7 are all possible quality constructions. The retention of these characteristics and meanings, despite enterprise growth, indicates that potentially the same set of conventions that were applicable when they were SACEs are still present – predominantly the inspirational, domestic, civic and ecological. Thus, by incorporating the analysis from Chapters 6, 7 and 8, the preservation of the quality identity has occurred or been enabled via:

- the retention upon expansion of the *intangibles* described in Chapter 6: such as care, social interaction with customers, passion, trust, and creativity;
- the preservation upon expansion of alignment with the principles of *endogenous regional development*, and *space* and *place* characteristics described in Chapter 6, such as the use of local resources as opposed to sourcing external to the region (e.g. labour, ecology and knowledge);
- recognising and acknowledging that the artisanal food industry is a *culture industry* and that artisanality and the intangibles can be an *expression of the principals' values and beliefs*;
- retaining alignment with particular principles of the *agroecological development model* (a form of endogenous development), specifically:
 - (i) the 'crisis of modernity' and
 - (ii) 'collective forms of social action'; that is, the *short food supply chain* is a collective form of social action and is a development tool that *enables* the preservation of meanings and identity that signal quality throughout the food chain, rather than decreasing transparency.
- In the principal's role as 'artisanal entrepreneur' rather than artisan, artisanality and thus quality has been preserved by a set of *artisanal identity metonymic signifiers* (see Chapter 7 *symbolic approaches to AIP*), such as: involvement with the processed item from start to finish, intimate/in-depth knowledge of the raw agricultural product, heavily involved in the decision-making process, and the principal socially interacting with the customer;
- The *physical approaches to artisanal identity preservation* (in Chapter 7), which have seen the ESACEs expand without achieving economies of size. As such, a high labour input into the processed product remains;
- The applicability upon expansion of the same set of *conventions* that are significant in defining quality in the SACEs. That is, the SACEs and ESACEs share the same set of conventions that are potentially used by processors and consumers when defining quality – the inspirational, domestic, civic and

ecological convention – with the industrial, opinion and market of less importance.

Accordingly, the similarities between the SACEs and ESACEs in relation to the characteristics, meanings and conventions of quality suggests that the enterprises have not compromised or changed their ideologies and, as such, have not come to resemble in structure (i.e. economies of scale/high mechanisation) nor ideology the large-scale, conventional food processors.

Conclusion

The examination revealed that the inspirational, domestic, civic and ecological conventions were, potentially, the most applicable in defining quality; whilst the industrial, opinion and market conventions were less important.

In using conventions theory to demonstrate value and define quality, a number of positive externalities (social and ecological) are able to be incorporated into the economic system, and those characteristics conducive to eco-social sustainability are more likely to be supported. This contrasts with the neo-classical economic model where negative externalities (e.g. social and environmental degradation) are either ignored or cannot be incorporated. Essentially, this economic system rewards processors for positive externalities. Moreover, by using the conventions theory approach, it can be shown exactly where these processors and their products differ from their industrial counterparts and where advantage lies.

It was shown that the short food supply chain is a development tool that enables the preservation of quality meanings. Thus, the short food supply chain provides opportunities by which to challenge hegemonic food quality meanings (such as food safety). Food quality meanings that are driven by big business with significant material resources and further legitimated by government legislation are able to be contested by less resourceful industries. The inspired, domestic, civic and ecological conventions were found to be potentially the most applicable in defining quality amongst the enterprises under study; whereas the industrial (related to food safety), opinion and market were considered less important. The incorporation of the inspired world (passion/creativity/non-conformity/ingenuity) is a convention that is often absent from the literature; however, this world is particularly relevant to the artisanal food industry in Tasmanian agriculture. It is the unique interplay between these conventions and their

inability to be reproduced that can be used in the social construction of the quality identity (i.e. value-adding) and the social construction of authenticity.

In the second part of this chapter, Research Sub-Question 1.3 was explored: ***How have the expanded enterprises managed to expand without losing quality meanings?*** It was proposed that, like the other identities explored throughout the research, quality food meanings were also at risk of being lost upon expansion. By applying the five developed characteristics of quality and the seven conventions of quality, it was shown that despite such risk the ESACEs and their products had retained their quality meanings. The socially constructed nature of the quality identity denotes that it potentially incorporates a wide range and diverse types of meanings. Thus, quality food meanings as they relate to the artisanal industries under study also potentially encompass meanings and characteristics from Chapter 6 and 7. As such, the retention of the quality identity upon expansion was enabled and occurred by:

- the preservation of the processors' *intangibles*;
- alignment with principles of the *endogenous regional development* model, and *space* and *place* characteristics;
- recognition that artisanality and the intangibles can be an *expression of an actors' values and beliefs* rather than simply the transformation of raw agricultural product or a non-contextual activity;
- alignment with principles of *agroecology*, particularly the '*short food supply chain*' as a '*collective form of social action*' and enabler of meaning preservation;
- the retention of artisanality via the principals' role as '*artisanal entrepreneur*', a set of *artisanal identity metonymic signifiers* and *physical approaches* to AIP; and
- the applicability of *conventions* that are also significant in the SACEs (i.e. inspirational, domestic, civic and ecological).

The retention of these qualities, meanings and identities is a phenomenon that does not support the conventionalisation thesis, in that, upon expansion, the ESACEs have not come to resemble large-scale agrifood processing operations in structure (i.e. high mechanisation/low labour and economies of size). If artisanality, the intangibles, the approaches to AIP, and alignment with principles of the ERD model are an expression of a principal's values and beliefs, then ideologies have not been compromised.

In exploring the preservation of quality food meanings upon expansion, another aspect of the project's research problem was investigated (i.e. the paradox of enterprise expansion) and the examination of the overarching research question – ***How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?*** – was completed. In the following chapter, Chapter 9, a set of conclusions, policy and practice recommendations, areas for future research, and limitations to the study are presented as a result of this exploration. The conclusions and recommendations will be offered by presenting each research sub-question in turn and culminating with a discussion of the overarching research question.

Chapter 9

Conclusion

As artisanal food products potentially embody meanings associated with regional production, the preservation of diversity and the increasingly important quality food item, there is an escalating need for research, both nationally and internationally, into this subject. There is a noted paucity of research that has been conducted on the *artisanal* producer (Tregear, 2002, website), and by undertaking this study an important contribution to Australian and international agrifood studies literature has been made. The dilemma is, as ITC (2003, website) states, that there “is no universally acceptable definition for artisanal products due to the many variables involved and the different purposes for which it may be sought.” As such, this thesis makes a contribution to the international agrifood research arena by combing existing literature and developing characteristics of *artisanality* to provide a novel way of analysing and understanding the artisanal food industry in Tasmanian agriculture.

This research also explored the *paradox of expansion* in the small-scale food processing industry in Tasmanian agriculture. The assumption was that as these small-scale units expanded, they would lose specific characteristics and meanings that were embodied within, and attached to, their products. It is these very characteristics and meanings that signal distinctiveness, offer value-adding potentialities, and construct identity. In reality, however, it was revealed that identity preservation had occurred upon expansion. Consequently, the thesis demonstrates how identity preservation has transpired and discusses its implications for the development of the industry.

This chapter will initially present an overview of the research process, beginning with the problem that instigated the research (i.e. the paradox of expansion and identity preservation). The research aims, which were developed from the problem statement, and the preliminary scoping study findings, are also presented. The scoping study acted as a preliminary data collection phase to add validity to the overall research findings, to focus the research problem, and to direct the literature review. In reviewing the literature, a number of research questions were developed. Each of these research questions will be presented and investigated in this chapter and a set of conclusions, implications and recommendations reached as a result of this research will be presented throughout.

The Research Process

Initially the study began with a *statement of the problem*, which encompassed enterprise expansion and identity preservation in the artisanal food industry in Tasmanian agriculture. It could be expected that as these enterprises expand, they would lose the very meanings and characteristics that are embodied within, and attached to, their products. The research problem directed the aims of the research, which included:

- to develop an understanding of the cottage industry sector in Tasmania that covers all dimensions and takes a participant's perspective;
- to discover the similarities and differences that exist between cottage industries and those that have since expanded;
- to ascertain the factors that have promoted or inhibited the success of cottage industries in Tasmania;
- to consider the appropriateness of theoretical applications such as endogenous regional development (ERD);
- to examine the ERD model as a potential framework for understanding cottage industry development in Tasmania; and,
- to provide policy and practice recommendations for enhancing the development of cottage industries in Tasmania.

To achieve the research aims and investigate the problem statement, the study commenced with a scoping of the issues, actors and salient concepts. The scoping study was central to the research and added validity to the overall project's findings. The scoping study findings provided a preliminary understanding of the research problem and further focused the direction of the research. Findings from this phase of the investigation assisted in directing the literature review and are summarised as follows:

1. The enterprises and other actors informally label the vignettes and other businesses as cottage industries.
2. These industries and other actors view their units and products as artisanal/hand made (i.e. informally label them as such).
3. Larger enterprises which have evidently expanded, and their products, are also viewed as artisanal (i.e. artisanal identity preservation).
4. The industry's products are viewed as quality food products.
5. Food safety legislation as an aspect of food quality is a significant issue encountered by a segment of the industry (i.e. product labelling).

6. The vignettes and other businesses within the industry produce lower quantities of product than large commercial producers.
7. The bulk of the business activities of these enterprises are geographically concentrated within the sub-regional area;
 - the enterprises often perform other types of business activities;
 - a portion of enterprises produce all/part of the raw agricultural produce versus purchasing the raw product;
 - many of the businesses are on a Tasmanian tourist trail and sell at the farm gate/cellar door (i.e. direct marketing/short food miles).
8. Due to a significant growth in certain sub-sectors, there are issues related to increased competition within the local market (i.e. local product saturation).

Following the scoping study, a contextual literature review was undertaken and a number of research questions were developed, which included:

- **The Overarching Research Question:** *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?*
- **Research Sub-Question 1.1:** *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?*
- **Research Sub-Question 1.2:** *What contestations exist over the meanings of quality and how has it been reproduced over space and time?*
- **Research Sub-Question 1.3:** *How have the expanded enterprises managed to expand without losing quality meanings?*
- **Research Sub-Question 1.4:** *How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?*
- **Research Sub-Question 1.5:** *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?*

Each of the research questions will be presented, and conclusions, implications and recommendations will be provided. Finally, the limitations to the research and suggestions of areas for future study conclude this chapter.

The Research Questions

Research Sub-Question 1.1: *Is the artisanal, cottage food industry label meaningful as applied to the industry in Tasmanian agriculture?*

Although the phrase, “*multinational cottage-type industry*”, has been used throughout the thesis to represent the confusion surrounding the industry (i.e. what is meant by the term cottage industry), it is acknowledged that this is an inappropriate term. However, it does demonstrate the misunderstanding that exists over the identity and/or the similarities that exist between the SACEs and ESACEs.

It was found that whilst the cottage industry tag is appropriately assigned (by the principals and other actors alike); there is much confusion over the definition of the term, even in the literature. The diverse answers provided by the principals on whether they considered themselves cottage industries can be partly explained in terms of the lack of understanding of what is meant by a cottage industry. Confusion also resulted from the expanded enterprises sharing many commonalities with the SACEs. This was supported in the analysis presented in Chapter 6, which found that the ESACEs aligned with the majority of the defining characteristics of a cottage industry.

Some of the similarities shared between the SACEs and ESACEs were referred to as the processors’ *intangibles* and are expressions of the processors’ values and beliefs. The set of intangibles that were applicable to the enterprises under study included:

- Care and time taken: care for how the raw agricultural is produced and the way it is processed;
- Social interaction with customer: face-to-face relationships;
- Passion: for producing the best product that they can;
- Knowledge: intimate knowledge of the raw produce, the land, the processed product;
- Trust: consumers trust how it was produced and who produced it;
- Respect: for the land and consumers;
- Creativity: achieving difference, uniqueness, taking the time to work with the different climates and landscapes; and
- Expression of place

In order to examine Research Sub-Question 1.1, a number of defining characteristics (DCs) of a cottage industry were developed from the literature review. These included:

DC #1 – Location of Business
DC#2 – Employees
DC#3 – Owner is investor and labourer
DC#4 – Local Ownership
DC#5 – Significant Added Value
DC#6 – Not Mass Produced
DC #7 – Sell Only Locally
DC#8 – Sell Directly to the Public
DC#9 – Use Their Own Equipment
DC #10 – Lower Levels of Machine Use
DC#11 – Artisanality

In applying the defining characteristics of a cottage industry to the SACEs, it was found that all of the defining characteristics (except ‘sell only locally’) were applicable. Despite the inappropriateness of this one defining characteristic, sell only locally, it was found that the enterprises do sell the bulk of their product locally. Conversely, in relation to the ESACEs, only three of the defining characteristics were found not to be meaningful – that is, ‘location of business’, ‘number of employees’ and ‘sell only locally’ – while artisanality was applicable in the principals’ roles as ‘artisanal entrepreneurs’.

Thus, by demonstrating significant commonalities between the SACEs and ESACEs in relation to the defining characteristics of a cottage industry and the set of intangibles, it is shown that expansion has not resulted in significant changes. As such, upon expansion they have not come to resemble conventional, large-scale agrifood units in structure nor ideology. This is particularly the case if the processors’ intangibles and the defining characteristics are an expression of the principals’ values and beliefs and their retention indicates the preservation of the expression of the principals’ ideologies. This suggests inconsistencies with the conventionalisation thesis that as the artisanal food industry develops, it will increasingly resemble the conventional, large-scale food processing industry in terms of structure and ideology.

The commonalities between the small-scale and expanded enterprises relate to the expression of the principals’ values and beliefs – in this regard, there is a correlation with the literature. Economic activities are inseparable from, and embedded within, the social (Granovetter, 1985) and that as Vanclay (2004a) suggests for farming, food processing is a socio-cultural practice rather than just a technical activity. For those who view the expanded enterprises as cottage industries, it is potentially the expression of these intangibles and alignment with the defining characteristics of a cottage industry that signify to the information consumer that the enterprise is a cottage industry. That is, rather than just structural characteristics signalling the enterprises as cottage

industries, it is the expression of socio-cultural characteristics that potentially signals a cottage industry.

This thesis also contributes to the field of agrifood studies by conducting research of this kind in a previously unstudied geographical area (i.e. Tasmania), where predominantly such studies have been carried out in Europe. This research also offers a novel contribution to the agrifood literature by providing an understanding of the paradox of expansion and identity preservation in artisanal food units. This analysis is directed by Granovetter's (1985) embeddedness theory, which acknowledges that all economic activities take place within the social. By undertaking the study from this highly recognised perspective, and applying it to a novel research problem (i.e. identity preservation upon expansion), the thesis adds to the existing literature in the field in an innovative way, particularly to the Australian scene.

Another identity that was explored within the thesis and was found to have been preserved upon expansion was that of quality. The following presents the project's two research sub-questions that incorporated the quality identity and offers a set of conclusions, implications and recommendations that resulted from this exploration.

Research Sub-Question 1.2: *What contestations exist over the meanings of quality and how has it been reproduced over space and time?*

Contestations surrounding food quality are essentially power struggles over having preferred meanings taken up by consumers. Behind these meanings are the actors, who possess diverse levels of material and, consequently, symbolic resources. Moreover, certain meanings are legitimated by third parties, such as the use of government legislation. As a result, alternative (to the dominant) contestations are often marginalised or cannot gain access to the discourse. Thus, by using five heuristic components of quality developed in the literature review (i.e. technical, place-based, environmental, socio-cultural and production-related) and the conventions theory approach to analyse quality, alternative meanings were identified and valued. In this way, by using a somewhat neglected theoretical perspective in the Australian agrifood literature – that is, conventions theory – the thesis has also made a contribution.

Conventions theory recognises that quality is a socially constructed process that is defined and negotiated between actors in the food chain. Instead of viewing quality as a characteristic of the food item per se, it situates quality within a contextual backdrop and “refers to the rules of the game and the role of the actor within the exchange”

(Marescotti, 2000, p. 4). Seven conventions were employed in the analysis of quality, which included the *inspired, domestic, civic, opinion, market and industrial* (Boltanski & Thévenot, 1999, p. 368) and an additional *ecological* convention (Murdoch et al., 2000). Marescotti (2000, p. 4-5) referred to five of these conventions:

- (1) market – goods are exchanged based on price and quality is assessed during the transaction;
- (2) domestic – the exchange is based on face-to-face relationships and trust is built as a result;
- (3) civic – quality is based on ascribing to “a nucleus of collective principles” and individuals put aside their own interests;
- (4) industrial – quality is assigned based upon the adherence to standards, rules and codes; and
- (5) opinion – quality is justified on the opinion of other actors and reputations. The inspirational convention refers to “non-conformity”, “creativity”, “passion” and “ingenuity”.

This analysis revealed that it is the inspirational, domestic, ecological and civic conventions that are potentially the most significant in defining quality in the artisanal food industry. Additionally, the industrial, opinion and market conventions, which are more associated with conventional, industrial agrifood products, are less significant in defining quality. The inspired convention, related “modes of evaluation” and “elementary relation” – that is, creativity, nonconformity, ingenuity and passion – was found to be, potentially, the primary convention used in defining quality (Boltanski & Thévenot, 1999, p.368). This convention is often understated or omitted in the literature.

Likewise, it is this creativity/non-conformity/innovativeness and the interplay between the expression of socio-cultural characteristics (e.g. practices, decisions, ideas, beliefs, values) and the natural (e.g. distinct climate/topography) that produces product differentiation. It is also the interplay between this and the other conventions of quality (i.e. domestic, civic and ecological) that generates territorial differentiation and can be used to construct authenticity.

Quality is a social construct and, for this reason, a group can construct quality food to encompass specific meanings and characteristics. Thus, if quality is to be used as a development tool, policy makers should be firstly aware of what it comprises,

particularly in relation to the local processors and their products featured here. In this research, it is shown that quality is potentially defined in terms that contrast to those in the conventional, industrial food processing industry. In this respect, the thesis can assist policy makers by creating awareness of the characteristics (particularly socio-cultural characteristics) that are most applicable and relevant to the artisanal food industry in Tasmanian agriculture. Thus, quality is defined in terms of the inspirational (i.e. non-conformity) in the artisanal food industry rather than the industrial convention as seen in the conventional, agrifood industry (i.e. standardisation). Quality is also being signalled as the development of trust and defined in terms of the domestic convention in the artisanal food industry (i.e. face-to-face relationships via farm gate, cellar door, market) versus the development of trust in the conventional, agrifood industry via the industrial convention (i.e. increasingly strict food safety regulations). Thus, rather than promoting policy that supports and further legitimises the dominant food quality meanings as seen in industrial food circles, policy developers should be aware of the alternative meanings of food quality and valuing by consumers.

Theorising quality using conventions theory offered the opportunity to incorporate and value positive externalities that were mentioned in Research Sub-Question 1.1 to be at risk of marginalisation. In using this theoretical approach, value is assigned to positive externalities (such as social and environmental sustainability) rather than excluding negative externalities (such as social and environmental degradation), which occur in the neo-classical economic model. By using conventions theory, this analysis also demonstrated areas in which the enterprises under study can differentiate their products (i.e. contestations over food quality meanings) and where industrial food processors cannot compete. In order to value these characteristics, we first have to acknowledge their existence, which suggests that we have to look at these industries in more than just structural or material terms.

For the artisanal food industry and the contestations that exist over the preferred food quality meanings, two main concerns arise: the incursion of hegemonic food quality meanings (particularly in the form of food safety) and access to the food quality discourse. Increasingly, food safety meanings are dominating the food quality discourse. Not only do the interests behind these meanings possess significant levels of material (and symbolic) resources, but they are also increasingly legitimated by government in the form of legislation. Marsden et al. (2001, p. 77) refer to this as the “bureaucratic ‘hygienic’ mode”. Furthermore, the interests that use food safety meanings to value-add and capture greater market share are implementing food safety

procedures that precede government requirements. These elaborate processes often prove too costly for many of the small-scale food processors. In many cases, the small-scale units are effectively being excluded from participating in markets where the preferred food quality meaning is increasingly food safety.

It is suggested that the food safety meaning has become so normal, so much a part of everyday life and language, that it is 'hegemonic' (Gramsci, 1971). The irony, of course, is that the interests leading this push for food safety and who most benefit are the ones who have created this need. This is evidenced primarily through the food scares associated with intensive livestock production and processing, such as mad cow disease or bacterial growth in processes related to mass food production, storage, and spatially distant transportation. The results are slowly impinging on the operations of small-scale food processors in Tasmanian agriculture, such as that evidenced in the CWA (Country Women's Association). This group had to cease selling specific food items after decades and are an example of where the costs to implement food safety plans for some industries, over and above government regulations, are crippling or simply unachievable (for example, in the Berry SACE). The question is where will this phenomenon end? Will we eventually see an agrifood industry where only the expanded small-scale enterprises remain or will we still see the roadside stalls and CWA shops in years to come?

The message is simple: behind the words of food quality, there is a fervently contested arena in which those with differing levels of resources, ideologies, and interests struggle. As has been shown here, in a marketplace where food safety is increasingly becoming hegemonic, it is those with the least amount of resources (both material and symbolic) that are emerging second-best.

It is in the food quality arena that the 'short food supply chain' (SFSC) offers additional promise to the small-scale food processing industry in Tasmanian agriculture. A SFSC is one that enables the food product to reach the consumer heavily laden with values and information. This sits in opposition to the conventional food supply chain, where the consumer is often unaware of who produced the product, where it was produced and how it was produced. Already mentioned for its ability to unite producer and consumer, the SFSC presents a method for overcoming the hegemonic contestations of quality (i.e. the distortion of the communication of food quality meanings). The promotion of the SFSC offers a model of communication whereby communication is less distorted by dominant interests. The SFSC enables and promotes the expression of competing

constructions of food quality (such as artisanality and face-to-face interactions) by those with less material and symbolic resources. That is, the SFSC offers a platform that is more conducive to making the communication process democratic.

This thesis does not naïvely suggest that by achieving discursive democracy in the food quality discourse, somehow consumers will see the light and purchase the product with the better argument (i.e. Habermas' notion of "communicative rationality" and "the ideal speech situation"). It is acknowledged, rather, that consumers are not a homogenous group and that simply presenting a better argument will not make them change their minds. However, as Dryzek (1992, p. 30–31) suggests, communicative rationality is useful because it "involves respect for the reflectively-held positions of others, and is defensible to the extent that it is taken as a procedural standard ... and does not dictate any substantive way of life". In a marketplace where dominant food quality meanings conflict with those of the small-scale food processors in Tasmanian agriculture, the SFSC offers a discursive arena for those with less material (and symbolic) resources to access and participate. At the very least, the SFSC supports a channel for the expression of alternative constructions of quality (i.e. respect for the reflectively-held positions of others).

Research Sub-Question 1.3: *How have the expanded enterprises managed to expand without losing quality meanings?*

The paradox of expansion and potential identity loss also relates to the quality food meanings embodied within, and attached to, the artisanal industry's products. Quality food meanings are potentially lost upon expansion via changes in scale, spatial and time dimensions. However, much like the preservation of artisanality, the ESACEs have preserved quality food meanings despite expansion. The ESACEs preserved this quality identity upon expansion via:

- the retention upon expansion of the intangibles described in Chapter 6, such as care; social interaction with customer; passion; trust, and creativity;
- the preservation upon expansion of alignment with the principles of endogenous regional development, and space and place characteristics described in Chapter 6, such as the use of local resources as opposed to sourcing external to the region (e.g. labour, ecology and knowledge);

- recognising and acknowledging that the artisanal food industry is a culture industry and that artisanality and the intangibles can be an expression of the principals' values and beliefs. Thus, quality meanings have been preserved, in part, via the expression of the principals' values and beliefs being retained;
- retaining alignment with particular principles of the agroecological development model (a form of endogenous development), specifically:
 - (i) the 'crisis of modernity' and
 - (ii) 'collective forms of social action'; that is, the short food supply chain is a collective form of social action and a development tool that enables the preservation of meanings and identity that signal quality throughout the food chain, rather than decreasing transparency.
- In the principal's role as 'artisanal entrepreneur' rather than artisan, artisanality and thus quality has been preserved by a set of artisanal identity signifiers (see Chapter 7 symbolic approaches to AIP), such as involvement with the processed item from start to finish, intimate/in-depth knowledge of the raw agricultural product, being heavily involved in the decision-making process, and the principal socially interacting with the customer;
- The physical approaches to artisanal identity preservation (outlined in Chapter 7), which have seen the ESACEs expand without achieving economies of scale. As such, a high labour input into the processed product remains; and,
- The applicability upon expansion of the same set of conventions that are significant in defining quality in the SACEs. The SACEs and ESACEs share the same set of conventions that are potentially used by processors and consumers when defining quality—that is, the inspirational, domestic, civic and ecological convention, with the industrial, opinion and market of less importance.

The following research sub-question presented an exploration of another identity attached to the cottage food industry in Tasmanian agriculture – namely artisanality. The artisanal identity was an additional identity considered at risk of being lost upon expansion; however, as the following shows, artisanal identity preservation has occurred despite expansion.

Research Sub-Question 1.4: *How have the expanded enterprises preserved their authentic, artisanal identity upon expansion?*

Research Sub-Question 1.4 explored the paradox of expansion and artisanal identity preservation (AIP). In exploring this question, the thesis has made a contribution to the agrifood literature by identifying and adding to the underdeveloped literature on artisanality. By merging and building upon existing literature, this study developed a novel method of understanding and analysing the artisanal food industry in Tasmanian agriculture. In combining and expanding upon De Roest's (2002) notion of artisanality and a definition which was accepted by the representatives of 44 countries at the *UNESCO/ITC International Symposium on Crafts and the International Market: Trade & Customs Codification (Manila, 1997* (ITC, 2003, website), I, with the assistance of empirical data, developed additional characteristics of artisanality: hand processing, artisanal business unit and product involvement. As such, the thesis offers a new way of understanding and analysing artisanality in agrifood production.

It was found that AIP occurred through *physical* and *symbolic approaches*. The symbolic approaches demonstrated that, although expansion had occurred and the principals did not make a *direct* and *the substantial* contribution to the product, the principals were associated with the notion of "artisanal entrepreneur" (ITC, 2003). Artisanal entrepreneurs are those who:

- a. although not actively participating themselves in production, specialise in research, market negotiations or produce design and conception;
- b. also make use of machinery, yet not affecting the artisanal nature of the work and the production process;
- c. beyond the usual cottage or artisanal unit, have associated in cooperatives or any other form of organisation (even informal);
- d. manage or form part of micro, small or medium sized enterprises concerned with artisanal production (ITC, 2003, website).

Three characteristics of artisanality – hand processing, artisanal business unit and product involvement – were applied to the ESACEs and AIP was found to have occurred. As artisanal entrepreneurs a number of metonymic, or substitute, signifiers potentially signal artisanality. Hence, in preserving artisanality, the principals have retained the expression of their values and beliefs. The outcome upon expansion is similar manifestations of culture that occurred prior to expansion – such as the retention of the intangibles and a set of *symbolic approaches* to AIP (i.e. artisanal identity

‘metonymic signifiers’) (Cohen, 1988). Artisanal identity preservation upon expansion indicates that, upon growth, the enterprises have not come to resemble highly mechanised, mass produced, low labour input types of production. The metonymic signifiers that potentially signal artisanality in the ESACEs include:

- The use of lower levels of machinery/more labour intensive/low relative production (metonymic signifier for hand processing);
- Employees hand processing (metonymic signifier for hand processing);
- Principal is heavily involved in decision-making of hand processing component and business activities;
- Principal is physically present/involved in business (metonymic signifier for artisanal business unit);
- Principal socially interacts with customer (metonymic signifier for product involvement);
- The principal has intimate/in-depth knowledge of the raw agricultural product (i.e. general knowledge of the product itself and specific knowledge of the producers, methods of production (how) and terroir) (metonymic signifiers for product involvement);
- There exists knowledge/information transmission and cooperation with others (metonymic signifier for product involvement);
- The employees are involved with the product from start to finish (i.e. raw agricultural produce is produced on-site by employees and then processed by employees) (metonymic signifier for product involvement); and
- The principal is heavily involved in the decision-making process from start to finish (metonymic signifier for product involvement).

Thus, the symbolic approaches *potentially* act as metonymic signifiers for the three characteristics of artisanality (i.e. hand processing, artisanal business unit and product

involvement). Any of these signifiers (in type or quantity) could act as ‘diacritical’ traits that Cohen (1988) suggests are needed to be present in order to authenticate the product/enterprise as artisanal. In acknowledging “potential”, an area of future study could incorporate the consumer dimension and research the diacritical traits (Cohen, 1988) that are necessary to signal the whole of the product as authentically artisanal.

Physical approaches also enabled AIP. These permitted the enterprises to expand without significantly impacting upon the labour to capital ratio (i.e. production was still labour intensive). Thus, the physical approaches to AIP have enabled expansion without the ESACEs achieving the economies of scale and mass production seen in the conventional, industrial agrifood processing industry. The physical approaches to AIP included:

- producing economies of scope (i.e. using existing resources to produce different products);
- diversification (for example, diversifying into tourism); and
- intentionally capping production.

Many of the symbolic approaches to AIP aligned with the principles of the agroecological development model. The fact that this development model aims to achieve sustainability in agriculture by using “environmentally and socially sensitive approaches” (Banks & Marsden, 2001, p. 114) suggests that the development of this industry is potentially more sustainable than the unsustainable economies of scale operations that are often associated with social and environmental degradation. However, it is the alignment with the agroecological principle, “collective forms of social action”, and its form (i.e. the short food supply chain) that offers much promise to the industry.

In a marketplace dominated by corporations with enormous banks of material and symbolic resources, the SFSC offers a platform by which producers, processors and consumers can work together to confront unsustainable agrifood practice. In so doing, the benefits associated with this form of production and processing (tangible and intangible) are supported and promoted.

The benefit to the industry of focusing upon the SFSC is not that it is necessarily short in food miles, but rather that it offers a closing of the intellectual distancing between producer and consumer that occurs in the conventional agrifood system. These chains

not only preserve information about the provenance of a food item, but also the principals' values and beliefs. Thus, the current use of the 'short food supply chain' by the expanded enterprises has also facilitated the preservation of artisanal identity meanings, which include expressions of the principals' values and beliefs.

The SFSC is a form of "associationalism" (Marsden et al., 2001, p.80), where actors, with similar values and beliefs, are connected. The SFSC makes what can be an anonymous process, transparent. It offers opportunities for actors to collaborate and collectively challenge unsustainable food production. Thus, the SFSC offers a vehicle by which to convert cultural capital to economic capital.

In a marketplace where competition is increasingly supply chain versus supply chain, rather than product versus product, and where "success in exchange and in production spheres is now much more reliant upon optimising new social networks" (Marsden, 2003, p. 183), the SFSC (even if it is spatially distanced, in which all actors ascribe to the same set of values and beliefs and where information is preserved and conveyed) is more essential and economically-valuable than ever. The industry currently employs the SFSC through the use of farmers' markets, retailers who also ascribe to the principals' values and beliefs (i.e. local, national and international), and cellar door/farm gate operations. By making use of the SFSC, converting capital and adhering to specific space and place characteristics, the following occurs:

- producer and consumers with similar values and beliefs are united;
- social capital is built (via the building of trust and social networks);
- socially and ecologically destructive agrifood practice can be challenged;
- cultural expressions can be preserved, thereby promoting and employing alternative agrifood development models (to the economies of scale model);
- regional identity is promoted through a blend of the socio-cultural and ecological;

- opportunities to avoid retailers who promote alternative contestations of quality food and associated costs are avoided;
- alternative (to the dominant) constructions of food meanings are able to be conveyed and consumed; and,
- consumers are fundamentally provided with a choice/voice in how they wish development to proceed.

The implications of identity preservation for the artisanal food industry are significant, particularly in relation to the value-adding potentialities that result. However, the development of this industry and the preservation of the expression of the principals' values and beliefs extends further than the economic, it also produces social and environmental benefits. In exploring Research Sub-Question 1.5, the following demonstrates the case studies' alignment with endogenous development and the positive implications that this indicates. Associated with the development of the industry, a number of factors that were referred to by the principals as having assisted or hindered their unit's success are also presented.

Research Sub-Question 1.5: *What regional development model is the more appropriate theoretical tool for examining cottage industry development in Tasmania?*

In exploring Research Sub-Question 1.5 this thesis has made a contribution to the literature by applying theories of endogenous regional development that have been largely lacking in the Australian agrifood research arena. Apart from contributing to the national agrifood literature in this way, this research has made a substantial contribution to the international arena by opposing a main thesis that the international literature espouses. That is, this research has shown, with the use of empirical data, that the ERD concept is not an idealised theoretical model, but actually exists in practice. The enterprises under study do align with the principles of ERD. Furthermore, by exploring the core research problem (i.e. identity preservation upon expansion), my research applies the characteristics of ERD in a novel way by showing how identity preservation has occurred upon expansion. That is, the thesis not only contributes to the debate over ERD by challenging a line of argument in the international literature, but also extends the argument by showing that the three expanded case studies also align with the principles of ERD.

The empirical evidence was sourced from the study of a number of artisanal producers and three that had expanded. This data provided a comparative analysis against the principles of ERD, thereby challenging existing literature in support of the perspective. In particular, the research showed that the features of the ERD model (based on the case studies that were under study) that *specifically* relate to Tasmania are: the use of local resources (such as local labour, local knowledge, and local raw agricultural input); local ownership of enterprises where spending and profits are reallocated back into the community; and, because it is locals that are driving this development, it is respectful of local values and beliefs.

Due to spatial models of development favouring already dominant interests, Ray's (2003) cultural approach to ERD, which is more conducive to the inclusion of the less resourceful or marginalised, is suggested as a potential development model for the agrifood industry in Tasmanian agriculture. Thus, the 'neo-endogenous cultural approach to development' is supported because:

- it is more inclusive, potentially including the less resourceful actors;
- it can incorporate those industries that have tapped into the increasing market demand for cultural goods and services, which potentially contribute to society in essential non-economic terms; and,
- its protection of diverse values and beliefs, and their expression, contribute to a stronger economy and healthier society.

The 'cultural approach to rural development' "(re) valorise[s] place through its cultural identity" (Ray, 1998, p. 3), which, theoretically, offers significant opportunities for the small-scale processing industry in Tasmanian agriculture. In relation to inclusiveness in agrifood development, this research indicated that the larger enterprises were acting on industry councils and that the small-scale operations were potentially further marginalised because of this phenomenon. A future area of research might investigate this statement and ask how policy makers can create a more inclusive agrifood development process.

In relation to the development of this industry, the greatest asset these enterprises possess is in the principals' values and beliefs and the expression of these (e.g. the intangibles and the artisanal identity metonymic signifiers). The application of the

cultural approach to endogenous regional development is another contribution of the thesis to the agrifood research arena, as this is a theoretical perspective that has largely been ignored in Australia. By applying this perspective, the thesis has provided an innovative approach to understanding the artisanal food industry in Tasmanian agriculture. In exploring the research topic, the thesis adds to the arguments and concepts of Ray's 'cultural approach to ERD' by building upon Ray's (2003, p. 5) suggestion that cultural capital is an "array of features that makes one territory different from another"; "can manifest itself in many forms including gastronomy [and] land management"; and has the ability to "(re) valorise place" (Ray, 1998, p.3). In exploring the Tasmanian artisanal food industry, my research furthers Ray's neo-endogenous approach by employing the unique combination of conventions theory, distinct socio-cultural characteristics and the uniqueness of the bio-physical qualities of Tasmania to understand the core research problem. It is the unique mix or combination of these qualities that offers a distinctiveness of place and the product's authenticity. It is not just the bio-physical characteristics of where the product is produced, but a blending which makes the product inimitable and ascribes value and authenticity.

Additionally, this research is novel in that it employs Ray's 'cultural approach to ERD' to show how the expanded enterprises have developed without losing their artisanal identity. In doing this, existing literature on authenticity, the manifestation of cultural capital, and the ability to substitute signifiers of artisanality upon expansion have been combined to explain and understand artisanal identity preservation in the expanded enterprise. In both these ways, this thesis has contributed to, and expanded upon, Ray's 'cultural approach to ERD' and the agrifood literature.

It was also shown that many of the symbolic approaches to AIP align with the principles of the agroecological development model. This development model aims to achieve sustainability in agriculture by using "environmentally and socially sensitive approaches" (Banks & Marsden, 2001, p. 114). Alignment with this model suggests that the development of this industry is potentially more sustainable than the unsustainable economies of size operations that are often associated with social and environmental degradation.

The development of the agrifood industry in Tasmanian agriculture requires individuals to look beyond the physical. There are many characteristics that are valued (even economically) but cannot be measured, certified, or implemented. It is the use of the SFSC that supports and promotes these intangibles. Perhaps the most significant

message to emerge from this research is that successful enterprise growth does not have to mean succumbing to the economies of size/low value commodity model. Enterprises can expand without principals having to compromise their values and beliefs and, in turn, these and their expressions will be economically valued. It has been shown just how different these enterprises are in the analysis of quality food. It needs to be recognised that a quality food item is not a non-contextual object; rather it is embedded in a backdrop that ascribes meaning, which is defined and agreed upon between actors in the food chain.

This research also specifically relates to, and is situated within, the literature on the ‘rural development paradigm’. Resources that are typically ignored and not valued under the modernisation paradigm are being combined in innovative ways and revalued. From this perspective, the thesis has contributed to the agrifood literature by showing that development under the ‘rural development paradigm’ is occurring in Tasmania via such initiatives as agrifood tourism, high quality production, region specific products, and short food supply chains. The thesis challenges the notion that a homogenising effect is unavoidable in the agrifood sector and that large-scale agrifood industries will dominate the sector. This research found that this was not the case in the Tasmanian agrifood industry with a diversity of non-industrial agrifood operations existing and recently entering the market.

Overarching Research Question: *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?*

By exploring each of the research sub-questions, the overarching research question – *How do cottage enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?* – has been examined. The following offers point summaries from the preceding exploration of each research sub-question and responds to the overarching research question which arose from the research problem (i.e. the paradox of enterprise expansion and identity preservation). The summaries are grouped into respective concepts and themes.

Enterprise Expansion and Identity Preservation

- This research demonstrates how small-scale food processing is an economic activity that is embedded within the socio-cultural context.

Authenticity and Artisanality

- Authenticity is a social construct. It can incorporate a range of traits and meanings (number and/or type).
- Artisanality is preserved despite expansion (i.e. in each of the components of artisanality: hand processing, artisanal business unit, and product involvement), albeit negotiated as 'artisanal entrepreneurs'. This occurred through a number of artisanal identity 'metonymic signifiers' (i.e. symbolic approach to AIP).
- AIP was facilitated through the preservation of the principals' values and beliefs and the expression of these in the form of intangibles and the 'metonymic signifiers'.
- Enterprise expansion in the artisanal food industry does not necessitate the compromising of values and beliefs and can be used in value-adding activities.
- AIP occurred through not realising economies of size and retaining a high labour to low capital ratio.
- Particular symbolic approaches to AIP align with principles of the agroecological development model, indicating that the expanded enterprises are somewhat aligned with social and environmental sustainability (i.e. sustainable development).

Quality

- Quality is a social construct, which in food production potentially encompasses all the identities and meanings explored throughout the thesis. For this reason the preservation of the quality identity in the ESACEs can encompass meanings, characteristics and identities associated with artisanality, the cottage industry label and the intangibles. Thus, apart from artisanal identity preservation upon expansion, the following demonstrates how quality food meanings and the quality identity has been preserved upon enterprise expansion.

The Intangibles and the Informal Cottage Industry Label

- There are significant commonalities between the SACEs and ESACEs in respect to the set of processors' intangibles and the defining characteristics of a cottage industry.
- The intangibles and defining characteristics of a cottage industry are potentially an expression of the principals' values and beliefs (i.e. socio-cultural characteristics).
- The similarities between the small and the expanded enterprises are potentially in the principals' values and beliefs and their expression (i.e. the intangibles and the defining characteristics of a cottage industry).
- Despite enterprise expansion, the intangibles and the majority of the defining characteristics of a cottage industry (i.e. the expression of the principals' values and beliefs) have not been compromised.

- The commonalities between the SACEs and ESACEs, and preservation upon expansion in terms of the set of intangibles and defining characteristics of a cottage industry provide examples of how three expanded artisanal food enterprises have not come to resemble conventional, large-scale food processing industry in terms of structure nor ideology upon its growth.
- The preservation of quality food meanings upon expansion has occurred through the lack of compromise of the principals' values and beliefs and resultant manifestations of these.
- The social construction of quality food meanings is a collaborative process that takes place between actors within the food chain who share similar values, beliefs and meanings.
- The inspirational, domestic, civic and ecological conventions are potentially the most significant in defining food quality in the artisanal food industry in Tasmanian agriculture; whilst the market, industrial and opinion conventions are of less significance.
- The conventions theoretical approach to analysing quality places value upon and rewards positive externalities in enterprises that might otherwise be ignored in the neo-classical economic model.
- The two most significant problems for the small-scale food industry in Tasmanian agriculture concerning the quality food discourse are the hegemonic meanings of food safety and accessing the food quality discourse.

The Short Food Supply Chain as Enabler

- The short food supply chain is a tool that has enabled the preservation of meanings and identities even upon enterprises expansion. That is, the intimate social relationship between producer and consumer has seen information, knowledge and meanings preserved and transparency enhanced.
- The SFSC offers opportunities for the small-scale food processor with fewer resources to contest dominant food quality meanings, such as food safety. In this respect, the SFSC offers a context in which marginalised positions are expressed and heard, and where communication is not distorted by dominant interests and the more resourceful units.
- The short food supply chain is a collective forms of social action (a principle of the agroecological development model), which offers significant promise for the small-scale processing industry in Tasmanian agriculture.

The preservation of the artisanal identity and quality food meanings has occurred upon enterprise expansion. This is evidenced in the retention of artisanality upon expansion and the commonalities that exist between the SACEs and ESACEs in relation to the defining characteristics of a cottage industry, the intangibles and the conventions of quality. Identity preservation upon enterprise expansion has occurred because the

principals have not compromised their values. The manifestation of these values is evidenced in the methods of processing, the social relationships that surround the selling of the food product and in the end product itself.

In examining the core research problem and the overarching research question, this study entered the debate surrounding the *conventionalisation thesis*. Although not able to be generalised, due to the in-depth study of three expanded case studies, this research showed that these enterprises do *not* align with the main hypothesis of the conventionalisation thesis. These particular case studies do challenge the thesis. Another contribution that this research has made is that the conventionalisation thesis literature predominantly refers to organic agriculture; however, here, it has been applied to three expanded small-scale artisanal food enterprises in Tasmanian agriculture.

This is not a suggestion that this research contributes to the debate by all out challenging the conventionalisation thesis; rather, it offers the possibilities of a new way of understanding or exploring expansionism (or not) in an understudied industry in Australia. By showing that the three expanded artisanal enterprises challenge the main argument of the conventionalisation thesis, it invites more debate and research surrounding expansionism and the artisanal food industry.

The three expanded case studies in this research do not resemble large-scale conventional agrifood operations. Upon expansion, the units do not mass produce; do not employ high levels of machine use; processing is still labour-intensive; the Principals are still intimately involved in decision-making and knowledge transmission regarding the product; and, the principals are still directly responsible for, or involved in, many of the business-related activities. This research proposes that the preservation of these characteristics indicates that the Principals have not compromised their values and beliefs, evidenced by their expression. In this way, the products have not lost valuable meanings and identities that are associated with artisanality, authenticity, place and quality.

This study has resulted in a number of recommendations that are aimed at both government and industry. It is envisaged that the following proposals can be used to benefit those owner-operators who are considering entering the industry or who are already established. By being made aware of such issues and potentially adopting these recommendations, it is hoped that government will contribute to creating an

environment that nurtures and facilitates growth in the artisanal food industry in Tasmanian agriculture. The following offers this set of recommendations within headings which reflect their target audience.

Recommendations: Government, Artisanal Units and Further Study

Recommendations to Government

- There is a need to recognise in policy development that the intangibles mentioned here are important for a variety of reasons and have economic (e.g. value-adding activities) and social implications (e.g. instilling a sense of community).
- To recognise in policy development that there are alternative and successful models of growth (i.e. as opposed to the high volume/low value commodity model), as evidenced in the small-scale food processing industry in Tasmanian agriculture. Diversity through the presence of different models of development builds strength.
- The benefits and disadvantages associated with development cannot always be measured or even described.
- Development does not have to be associated with negative impacts, it can be positive.
- By recognising the notion of culture in agrifood development rather than just spatial characteristics, minorities are potentially offered more representation and included in the development process.
- Policy makers should be aware that food quality is socially constructed and that there is value in supporting alternative (to the industrial agrifood industry) food quality meanings, as evidenced in the artisanal food industry under study.
- Cultural capital is converted into economic capital in the small-scale food processing industry in Tasmanian agriculture. The use of 'cultural capital' is a value-adding activity.
- The legitimisation of the dominant food quality meaning, by government through policy, is negatively impacting those food industries with less resources and benefiting those with more. This is evidenced in the crippling costs of the implementation of food safety plans; the inability to implement food safety plans that go above and beyond government regulations in order to 'keep up' with or sell to large retailers; banning certain products that have been produced and sold the same way for decades; and, the lack of knowledge/access to knowledge over current food safety legislation (which often affects those with the least amount of resources).

Deliver free or inexpensive food safety legislation education and training in regards to the small-scale unit's requirements for their specific business. A mobile unit would be beneficial as many of the

principals are owner-operators who do not have time during normal business operating hours.

Provide more information and/or assistance to small-scale units with fewer resources regarding the logistics of food safety legislation.

Research and review the impacts and consequences of food safety legislation upon small-scale units. There are problems.

- There is a lack of intellectual property (i.e. knowledge) in Tasmania and even Australia regarding the *how* of production. This is understandable given that many artisanal products are novel.

Offer a service to assist these industries to research potential products and methods of production and processing.

Conduct more research, and distribute this information, about the types of products that are more likely to succeed for those considering accessing the industry.

- There is local market product saturation for certain products.

More research and/or information dissemination needs to occur regarding the over supply of certain products. Small-scale processors need to be aware of such problems.

- For some processors, the lack of access to finance as a new business is an inhibitor to success. For others, however, obtaining finance goes against their core values.

Investigate and provide micro-credit start up loans to encourage access.

- The obtaining of federal grants on a matching dollar for dollar basis has greatly assisted already established businesses.

Offer a grant system to the artisanal food industry.

- Lack of economies of scale, particularly in relation to transport costs to the mainland was a noted impediment. There are some enterprises that do already distribute to mainland Australia, others that find it too prohibitive but would like to, and some that have no intention of selling in non-local markets.
- Promote the current use of the SFSC in the small-scale food processing industry in Tasmanian agriculture. That is, the information surrounding how the product was processed, where the raw agriculture was sourced from, and the person who produced it (i.e. where the value adding lies) needs to be retained throughout the food chain.

Promote/support more networking amongst the various nodes of the food chain. Not only producers with processors, but processors with other processors. More dialogue and communication amongst artisanal food units to share experiences and support would also be beneficial. Taking into consideration that as owner-operators

the principals have very busy schedules and are spatially distanced. For many, the Internet is already in use and this could be used to their advantage by overcoming time and distance.

Continue to encourage and promote the many festivals and markets around Tasmania. Promoting awareness and advertising these novel products can be very costly. Due to the uniqueness of these food items, the consumers often lack product knowledge. As such, it is necessary to find inexpensive ways to advertise the product, which is where the markets and festivals are invaluable. This also communicates all of the information which adds value to these products.

Continue the Tasmanian tourism campaigns. Many enterprises in the artisanal food industry benefit from the food and beverage tourist dollar and the role that the tourist trails play. This is also another way of retaining, and communicating, all of the information which adds value to these food products.

- View the small-scale food processing industry as a ‘culture industry’ rather than just an industry that processes raw agricultural product.

As a cultural industry, expertise and collaboration could occur with those involved in the promotion of the arts in Tasmania.

As with the development of any industry, development should be more bottom up rather than top down. It is no good developing an industry without having input from those who are on the ground. In relation to the Tasmanian food industry, be careful of small-scale enterprise representation that is not truly representative.

Recommendations to the Artisanal Food Industry in Tasmanian Agriculture

The findings of this research offer a number of practical recommendations to the industry to promote the chances of success:

- Consider developing and growing the enterprise gradually. This has worked for many of the enterprises in the study by minimising risk.
- Realise that the need for off-farm income in the early stages of establishment is often required. One option is to sell to a larger processor in the enterprise’s initial stages or fall back on existing skills to subsidise initial set up and running costs.
- Be prepared to promote your business and product anyway necessary. Remember that you might be entering a niche market and for that reason face less competition, but, at the same time, there is probably a lack of knowledge by the consumer. If prepared to do the leg work, advertising and awareness programs can be inexpensive through local markets and festivals. Participating in food awards is also another inexpensive way to promote your unusual products that often the consumers are not familiar with.

- Do not set your business type or product/s in stone. Just like any business, revisions are necessary in order to correspond and capitalise on changes in consumer preference and/or external factors (such as the increase in tourist numbers to Tasmania)
- Do not try and do everything yourself. As your business grows, there will be a time where you will have to manage rather than be solely responsible for production. As this study shows, artisanality and quality can be retained upon expansion as the owner-operator's role in the business changes. As the business grows, you can be an 'artisanal entrepreneur' and still retain a heavy hand in the production, thereby contributing towards the preservation of artisanality and quality.
- For those who are considering entering the industry, previous business and farming experience is advantageous, but it is not a pre-requisite to success.
- Look to as many ways as you can to diversify using existing inputs (such as raw products, tools, infrastructure and labour). This will create various areas for profit, reduce risk, and overcome the lack of savings associated with not being an economies of size operation.
- You can be a price creator. Dictate your price. If you are selling a novel product and remain small-scale (i.e. limited production), it is possible that demand will outweigh supply. As such, as demand increases, you can increase your price and play with the market. As you increase price, it is possible demand will also rise, as was the case with some participants in this study.
- You *can* train the consumer. The old myth that you will lose customers if you do not have year round supply is not true in this industry. You can educate the consumer and they will still purchase your products.
- Like anything that is long-term and at times a struggle, you must have passion for your product and believe in it. This is what will get you through the hard times.
- Staying small is advantageous in that you will be able to change direction rapidly. If there is a change in the market, you will be able to change with it.
- If you are a larger business, food processing or value-adding can be a way of using excess labour at times when your other business venture is quiet.
- As these products sit within the quality food market, autonomy over the entire production process is important. This not only promotes quality assurance, but assists in artisanal identity preservation if you decide to develop your business.
- As a quality food item, where different characteristics indicate quality in different markets, the owner-operators of artisanal food enterprises need to consider these differing meanings of quality.
- Do your homework before entering the industry. As an industry that produces novel products, information about the raw agriculture and

production methods can be scarce. You might have to look internationally for information. The Internet and books are good sources, but even better are foreign producers/processors who appear to be willing to share their experiences and knowledge. This will then have to be somewhat adapted to cater for differences.

- Remember Bass Strait. Consider this in the initial business planning phase. Transport costs to and from the mainland can be prohibitive and many avoid it.
- Grants are good and obtainable. Remember, however, that some require dollar for dollar matching, which can strain the business in the long term.
- It is recommended that by preserving such qualities as care, time taken, social interaction with customer, knowledge, creativity and expression of place, the preservation of the artisanal identity is contributed to.
- Due to the nature of the artisanal food product (i.e. being heavily laden with information), the food chain that the product participates in must retain this information. Whether it is local or international, it is most important that the product is sold with this information in tact. Look to like-minded people in the food chain.

A number of areas for potential research have also arisen out of this study.

Recommendations for Further Study

Agrifood Development Policy and Practice and the Small-scale Food Processing Industry

- Are these enterprises being marginalised in policy development because of their informal labelling as cottage industries?
- If policy were to aggressively develop this industry, what impacts (positive and negative) might we see arise from this (i.e. social impact assessment)?
- Does the cottage industry identity evoke meanings of less importance or professionalism? If so, in what ways does this impact them?
- These industries might be smaller in economic terms but are they bigger in the things that 'count' (such as social and environmental sustainability or quality of life issues)?
- In practice, is the 'cultural approach to rural development' employed?
- What are the non-economic contributions to society that these small-scale food processing industry make?
- Is formal certification practical for the small-scale food processors in Tasmanian agriculture? Who benefits and who is disadvantaged?

Agrifood Development Practice in Tasmanian Agriculture

- How can the low production/high value development model in Tasmania agriculture be promoted over the economies of scale development model, which is often less conducive to social and environmental sustainability?
- In what ways is the dominant food quality meaning, food safety, affecting agrifood industries in the whole of Tasmanian agriculture?

The Consumer Dimension

- What are the specific diacritical traits necessary to signal that the whole of the product is authentically artisanal?

The Community Dimension

- How aware is the local community of the benefits that this type of industry/food choice offers?
- Is this form of development in line with how the community would like development to proceed?
- How are community values currently included in the direction of agrifood development, and in what ways can they be included in the future?

The following presents limitations to the study and offers further areas for future research.

Limitations to the Study and Areas for Further Research

A number of limitations to this study are recognised and highlight further areas for possible research. It is acknowledged that, because the project included case study analysis and a number of vignettes, the findings cannot be generalised. This is a potential area for future research and might include surveying the entire population to provide results that can be generalised. Additionally, the research was conducted and the findings were limited to one region. A comparative analysis with another region or regions might be a future area of study and offer support to the findings concluded here. An additional limitation to the study, applicable during the actual research project, was the cross-sectional rather than longitudinal nature of the study. Due to time limitations associated with research projects, a longitudinal study is not seen as realistic; however, a future study might investigate the enterprises in relation to the findings in the future. It was also felt that in certain areas of the research, scientific data to back up findings would further strengthen conclusions. As such, a future area of research might include a multi-dimensional team of scientists working to support the findings.

Conclusion

Like any human activity, food processing is ultimately a socio-cultural phenomenon. In exploring the main research question presented in this study – *How do cottage food enterprises negotiate the competing pressures to increase in size without losing quality meanings and their authenticity as artisanal food production units?* – the depth at which economic activity is undertaken within a socio-cultural context, such as in food processing, is demonstrated.

This study has added to the international and Australian agrifood studies literature by contributing to the gap in research upon the artisanal and/or small-scale producer (Tregear, 2002, website). The thesis also merged and built upon existing literature in order to provide a novel method of understanding and analysing the artisanal food industry in Tasmanian agriculture. By combining and expanding upon De Roest's (2002) notion of artisanality; a definition accepted by the representatives of 44 countries at the *UNESCO/ITC International Symposium on Crafts and the International Market: Trade & Customs Codification* (Manila, 1997 (ITC, 2003, website); and empirical data, my research developed additional characteristics of artisanality: hand processing, artisanal business unit and product involvement.

The thesis has also contributed to the national and international agrifood research arena by applying endogenous regional development theories that have been largely neglected in Australian research, and by challenging the argument that endogenous regional development is an idealised notion. By using empirical data obtained from the artisanal food industry in Tasmanian agriculture, it was shown that endogenous regional development is a real phenomenon. The application of Ray's 'cultural approach to ERD' was also a contribution of the thesis to the agrifood research arena, particularly Australia's. My research furthers Ray's neo-endogenous approach by employing a combination of theories and distinguishing characteristics unique to the study topic that offer a distinctiveness of place and the product's authenticity. A further contribution was that the 'cultural approach to ERD' was utilised to assist in explaining artisanal identity preservation in the expanded enterprises.

Another area in which this research made a contribution to the agrifood literature is in the use of conventions theory to analyse quality. This is another theoretical perspective that has been underemployed in Australia, and it is the noted importance and

dominance of the ‘inspired convention’, which is often understated or omitted in the literature, that is a chief contribution of the thesis.

Additionally, the thesis challenges existing literature which suggests that inevitably large-scale industrial agrifood industries will dominate the sector and lead to a homogenising effect. By providing evidence in the form of agrifood tourism, high quality production, region specific products, and short food supply chains, this research shows that the agrifood sector in Tasmanian agriculture is not being dominated by large-scale industrial enterprises. This supports and contributes to the literature surrounding the ‘rural development paradigm’, whereby resources previously not valued and ignored are being revalued and used in innovative ways.

Another area in which the study contributed to the agrifood literature was by showing the non-alignment of the three expanded case studies with the main hypothesis of the conventionalisation thesis. Typically applied to the organics sector, the transition to studying the expanded artisanal food industry potentially offers a new way of investigating and analysing this under researched group in the Australian agrifood sector.

The message conveyed here is that not only should intangibles and other marginalised constructions and activities be included, but that they can, and should, be valued economically. In this way, positive externalities are compensated and the expanding market for cultural goods and services is accessed. The success and long-term survival of the industry depends upon both the market and policies acknowledging and valuing these positive externalities which, in many cases, cannot be described or measured.

By practicing what they preach, the expanded enterprises studied here have shown that the growth of an industry does not have to denote the loss of meanings and identities attached to, and embodied within, food products. Their values and beliefs (i.e. ideologies) do not have to be compromised upon expansion, growth does not have to mean alignment with the exogenous development model, and expansion does not have to denote the adoption of the economies of size/low value commodity model (i.e. business structure). Growth and identity preservation (i.e. artisanality and quality food) through the retention of the principals’ values and beliefs, and resultant manifestations, has enabled the enterprises to remain on a low production/high value development path. Fundamentally, growth or the development of an agrifood industry does not have to mean eco-social degradation.

The future for this industry lies in uniting processors and consumers with similar ideologies. We need to continue to find ways of achieving this, with the short food supply chain proving to be one such method. In so doing, alternative contestations of dominant food meanings can gain access to, and be represented within, food quality discourse. If industries such as these that possess less material and symbolic resources, and are more conducive to social and environmental sustainability, can have their food quality meanings heard and supported in policy, then half the battle of challenging unsustainable agrifood production and consumption has been won – with one of the winners being the artisanal food industry in Tasmanian agriculture.

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APPENDIX A: EXAMPLE OF A KEY INFORMANT'S PROMPT SHEET

Concept/Issue Investigated	
The Interviewee	Could you tell me your position and your role here?
Cottage Industry	How you would define a cottage food enterprise? Probe - If can't, tell them that other people call them (e.g. artisanal). What examples would you say fits the description of a cottage enterprise? Do you think the cottage industry is important to Tasmania? In what ways?
Background to the Industry	In specific places overseas, cottage enterprises have been in families for generations. Do you know if the cottage industry is like that here? Has there always been such a prominent cottage industry in Tassie? What would you say have been the factors that have helped the industry along? What would you say have been the factors that have hindered the industry?
Enterprise Description	As far as you know, do these cottage industries employ any staff? On what basis do they employ (part-time, full-time, casual)? To your knowledge do these industries use artisanal production methods or do they predominantly rely on mechanisation? Do you know if the processing is performed at their place of residence? Do many of the principals have to supplement their income or does the business supply enough income to live on? Do many of the businesses perform other business activities besides the food business? As a consumer, what would you say are the advantages of choosing one of their products over other products?
Principals	Do you know if the owners of these cottage industries are locals, or do they come from overseas? In relation to their goals, do you think they want to expand or are happy to remain at their present size?
Commodity Chain	Can you tell me anything about where they sell their products? Do the majority of them grow the produce they use to make their products? Where do they get the raw agricultural produce from?
Quality	What does the idea of quality, in relation to cottage industry products, mean to you?
Enterprise Expansion	The main interest in the thesis is how the cottage enterprise has overcome problems with getting large. Do you know of any such problems the cottage enterprises have had to face upon expansion? How have they overcome these problems?
Authenticity	Do you consider the products to be authentic even though the cottage industry may have expanded?
Networks/Associations	Do you know of any informal relationships/networks within the industry that exist? What do you think the benefits are for those involved in these relationships? Do you know of any relationships that exist with parties outside of the industry (e.g. with government)? What are the benefits of this (e.g. knowledge production)?
Development	Would you say that the cottage industry has contributed to regional economic development in Tasmania? In what ways do you think it has done this?
Snowball Sampling	Can you recommend any other people that I could interview in relation to what we have talked about today (i.e. local agents or cottage industries)?

APPENDIX B: EXAMPLE OF A VIGNETTE'S PROMPT SHEET

Concept/Issue Investigated	
Historical	<p>Can you tell me how long Palmara has been going?</p> <p>Was the vineyard established or did you start it yourself?</p> <p>What types of wines do you produce?</p> <p>How did you get into the wine industry?</p> <p>Do you work full time on the farm or do you have other employment?</p> <p>Is Margaret employed on the farm?</p> <p>Does Margaret have off-farm employment?</p>
Enterprise Description	<p>How many employees do you have?</p> <p>On what bases are they employed e.g. full time, seasonal?</p> <p>What is the size of the farm?</p> <p>How much wine do you produce?</p> <p>Have you expanded production at all?</p> <p>Do you have intentions of expanding?</p> <p>The article in the Mercury said that Palmara was very much a hands-on winery. Do you perform more of the farm tasks manually than other vineyards?</p> <p>Why is that?</p> <p>Is all the processing and bottling done on the vineyard?</p> <p>Do you produce other products/services on the vineyard?</p> <p>Is the farm part of the tourist trail?</p> <p>Do you have many tourists visit?</p>
Production	<p>Do you grow all the grapes that go into the wine?</p> <p>Can you tell me about the seigrebbe grape (only farm in Tassie) and how you got onto this?</p> <p>Is there anything else that is distinct about the methods you use to grow the grapes?</p>
Distribution	<p>Is your wine sold locally and internationally?</p> <p>Where is your wine sold – markets, retail outlets, on the farm?</p> <p>I see that you have a website to sell your produce. Could you tell me who would be the biggest uses of the website (local/international)?</p>
Quality	What does the idea of quality mean to you?
Cottage Industry	<p>How you would define a cottage enterprise (i.e. in Tasmanian agriculture/processing)?</p> <p>If cannot, tell them that other people call them (boutique, artisans).</p> <p>What examples would you say fits the description of a cottage enterprise?</p>
Networks/Associations	Are you a member of any formal grower networks or associations?

APPENDIX C: THE INITIAL PROMPT SHEET

Concept/Issue Investigated	
Historical: farm, owners and enterprise	<p>Can you tell me a bit about your and your wife/husbands background?</p> <p>What about this farm, what was it used for before?</p> <p>Can you tell me about the history of the enterprise?</p> <p>How did you get into the wine industry?</p> <p>Did you go specifically into the business specifically with the idea in mind that consumers want this product so I will produce it or that you love this and the consumers just happened to be there?</p> <p>Reasons for going into the business?</p> <p>Was it specifically so could work from home?</p>
Enterprise description/ Statistics/ Characteristics	<p>Number of employees – FT, PT, Casual, seasonal</p> <p>Have you had any problems with labour e.g. sourcing it?</p> <p>How you would define a cottage enterprise (i.e. in Tasmanian agriculture/processing)?</p> <p>If cant, tell them that other people call them...(boutique, artisans).</p> <p>Hours spent on your business.</p> <p>How much of your personal income from this business</p> <p>Why do you see as advantages of operating at home versus outside.</p> <p>Owners (Interests in business) – 100% family owned; external interests</p> <p>What types of products do you produce?</p> <p>Do you work full time on the farm or do you have other employment?</p> <p>Is partner employed on the farm?</p> <p>Does partner have off-farm employment?</p> <p>Does this business compare with your salaries before you went into this?</p> <p>Location of business – residential</p> <p>Hours worked by family/employees – are they FT or PT enterprises</p> <p>Income – do they make enough to live on or do they supplement it?</p> <p>Range of products/activities – economies of scope – variety of applications that can be found for the same resource (Moronni 1992 in Brunori and Rossi). (e.g. part of a tourist trail, B&Bs)</p> <p>Price per unit- are the products more expansive than competitors</p> <p>Retail; Retail and production; retail and farm; retail producer/processor; farm/processing/packing</p> <p>i. Established new business; ii. Expanding/replacing existing premises; iii. expanding/creating storage, preparation and packing areas.</p> <p>What guiding principles do you feel are important with your business? What sort of a image would you like customers to see?</p>
Cottage Industry	<p>Do you consider your enterprise to be a cottage enterprise?</p> <p>How would you define a cottage enterprise (i.e. in Tasmanian agriculture/processing)?</p>
Authenticity	<p>The word authentic (genuine, the real thing) is used a lot when it comes to food and food production. Would you say your product is authentic? If so, what makes it authentic?</p> <p>Would you say the business is a full time occupation or part-time?</p> <p>Do you have any off-farm employment?</p> <p>Would you say you make enough from the farm to live on?</p>
Economies of size versus economies of scope	<p>What is the size of the farm?</p> <p>Would you consider the farm to small relative to other producers?</p> <p>Would you consider the amount you process to be small compared to other producers?</p> <p>Are there any problems with the smallness of the farm/production? E.g. limited supply</p> <p>Are there advantages to the smallness?</p> <p>Have you ever felt pressures to increase your production and didn't want to?</p> <p>How do you think you are able to compete with the larger businesses?</p> <p>How much wine do you produce?</p> <p>Have you expanded it?</p>

Plans	Do you have intentions of expanding or diversifying?
Pluriactivity - tourism	Do you produce other products/services on the vineyard? Is the farm part of the tourist trail? Do you have many tourists here? Do you have the quality tourist tick or plan to get it? What do you think of it? As a percentage, how much would you say, does cheese earn for you?
Production/ Processing/ Distribution/ Sales	Do you grow all the raw agricultural produce that goes into your product? Can you tell me about how you grow your product? Is there anything else that is distinct about the growing/processing of your product? E.g. organic Is all the processing and bottling done on-site? What do you see as the advantages of producing, processing and distributing all by yourself? What problems do you see connected with you doing all this? Have you ever tried to sell to places and been knocked back or it was too much of a hassle (e.g. with paperwork etc)? What do you see as the advantages of selling direct to the customer? Why do you sell this way? Do you have any intentions of trying to sell to supermarkets or retail outlets? What are the disadvantages of selling direct to the customer? Other enterprises that are on the tourist trail sell direct to the customer, how have you overcome not being able to sell direct? With your direct selling, who do you see as your biggest customers? (e.g. local or tourists).
E-commerce	Do you get people you know, repeat customers or? Do you sell via the internet (website)? Did you set this up yourself? Where did you learn to do this? Do your admin, day-to-day business operations via the internet?
Artisanality	Equipment – artisanal versus mechanised/breakdown Would you describe your business as artisanal and you as an artisan?
Regulations and Quality Assurance	Has the Quality assurance system been a decisive factor in you being a cellar door operation? Do you have to have QA or have you ever faced having to have QA? What about the pasteurisation of cheese? Do you felt that you are aligned with the brand Tasmania Do you think the Brand Tasmania is a good scheme? What do you see as the advantages or disadvantages of it?
Tax Other Regulations Access to Finance Business Plan	What taxes do you face or avoid by being a cellar door operation? If have tourists on property do you have to follow stringent health and safety regulations? Have you had to fulfil any animal welfare/care regulations/inspections? Have you had problems with access to finance? Have you had to draw up a formal business plan for any reason?
Factors assisted/ Inhibited business	What things have you done would you say has helped your business along? What things external to the business have helped your business along? What would you say has hindered the industry? What would you say are the advantages of cottage products over other products? Do you think meeting the owners of the cottage enterprise, who are selling their product, is one advantage? What things do you value in your business e.g. honesty, credibility, quality, hard work. Values demonstrate what they regard as important. Strong beliefs about which goals are better than others. Education levels Previous business experience/occupations

Social-cultural: demographics, attitudes, values, beliefs	<p>(redefinition of identities, strategies, practices, interrelations and networks) new forms of cooperation and contradictions that are emerging between agricultural and non-agricultural economic actors (i.e. large-scale agribusiness or new grass-root farmer).</p> <p>Farm units considered 'superfluous' in the modernisation paradigm acquire new roles and new interrelations are established not only with the other farm enterprises but also with different segments of the urban population.</p> <p>If I was just to say the word sustainability, what would that mean to you?</p> <p>Market focus (intention) – do they want to expand; considerations</p> <p>Demographics – family position, age, sex, role</p>
Knowledge	<p>- human capital (intellectual capital – knowledge and skills) e.g. learning networks/community (Exec link); support networks; FarmBis; AAA initiative</p> <p>Where would you say most of your knowledge on how to run the business and produce the products has come from?</p> <p>Have you done any training courses that have helped with the business?</p> <p>Even though you are a cheesemaker, did you have to learn new things here?</p>
Environmental	<p>Do you do anything specifically environmental on the farm?</p> <p>What are your reasons for doing this?</p>
Quality	<p>Do you see yourself as a producer of quality produce?</p> <p>So what does the idea of quality food mean to you?</p>
Networks/ associations/ social capital	<p>- human capital (intellectual capital – knowledge and skills) e.g. learning networks/community (Exec link); support networks; FarmBis; AAA initiative</p> <p><u>Formal</u></p> <p>Have you been supported by any government assistance or programs (local, state, federal, information, funding etc)?</p> <p>Have you gone to any rural consultancies or associations?</p> <p>Do you feel this has benefited the business?</p> <p><u>Informal</u></p> <p>Do you get together with other producers as an informal group and discuss or support each other?</p> <p>How do you think this network has benefited you?</p> <p>What people, agencies, groups, govt departments have helped and supported you?</p> <p>Social capital (networks, values, trust and commitment)</p>
ESACE	<p>What would you say are the major differences in operation since you expanded:</p> <p>Machinery versus hand</p> <p>Role in the business</p> <p>Staff</p> <p>Location</p> <p>Production increases</p> <p>Different activities</p>

**APPENDIX D: EXAMPLE OF PROMPT SHEET ADAPTED TO CASE STUDY PARTICIPANT
– GRANDVEWE CHEESE**

Concept/Issue Investigated	Operationalisation
Historical	<p>When was the farm established?</p> <p>Did you start from scratch or was it an existing farm?</p> <p>What was the farm used for before you took it over?</p> <p>What is your and Alan's background?</p> <p>(occupations, business experience, education)</p> <p>How did you end up in Tasmania?</p> <p>Did you go specifically into the business knowing that consumers wanted your product or were mainly interested in it for the lifestyle?</p> <p>Do you and Alan have specific roles on the farm?</p>
Enterprise description/ Statistics/ Employees	<p>Can you list your product range for me?</p> <p>Do you employ any staff?</p> <p>Are they FT, PT, Casual, seasonal?</p> <p>Have you had any problems with finding workers?</p>
Cottage Industry Authenticity	<p>Do you consider your enterprise to be a cottage enterprise?</p> <p>How would you define a cottage enterprise (i.e. in Tasmanian agriculture/processing)?</p> <p>The word authentic (genuine, the real thing) is used a lot when it comes to food and food production. Would you say your product is authentic?</p> <p>If so, what makes it authentic?</p> <p>Would you say the business is a full time occupation or part-time?</p> <p>Do you have any off-farm employment?</p> <p>Would you say you make enough from the farm to live on?</p>
Economies of Scope	<p>What is the size of the farm? (40 acres)</p> <p>Would you consider the cheesery to be small relative to other producers?</p> <p>How much do you produce at the moment?</p> <p>Do you have plans to expand or diversify further?</p> <p>How big is the vineyard?</p> <p>Do you plan to extend it down the track?</p> <p>What would you say are the advantages and disadvantages of being small? E.g. limited supply</p> <p>In what ways, would you say, do you out compete the larger businesses (such as Bega)?</p>
Goal/Expansion Plans	<p>What are your goals for the business?</p>
Tourism	<p>What do you see are the advantages of being on the tourist trail?</p> <p>How did you arrive at the name "Peppermint Bay Cheesery"?</p> <p>Was it a conscious effort to hook up with the Peppermint Bay tourism development?</p>
Production/ Processing/ Distribution	<p>Do you produce all the milk that goes into the cheese or do you source some if from off the farm?</p> <p>Do you think you would source it off the farm if you had to?</p> <p>Is all the processing and packaging done on the farm?</p> <p>What do you see as the advantages of producing and processing yourself?</p> <p>Does doing all this by yourself present any problems?</p>

E-commerce	<p>I see you've got a personal website, do you intend to have a business website and sell over the Internet?</p> <p>Do you do a lot of your day-to-day business operations on the Internet?</p> <p>Do you export or do you plan to export?</p> <p>How did you know what to do with that?</p> <p>What about locally, who do you sell to?</p> <p>Do you intend to sell to supermarkets at all?</p> <p>What do you see are the advantages and disadvantages of being a cellar door?</p> <p>As an approximate, would be the breakdown of sales from the cellar door, exporting and local markets? (too early)</p>
Artisanality	<p>Would you describe the business as artisanal and you an artisan?</p> <p>In relation to cheese production, what would your definition of an artisan be?</p> <p>If I was to ask you to say how you saw your product and your business, how would you describe it?</p>
Regulations/ Barriers	<p>What have been the hardest government regulations you have had to deal with?</p> <p>What have been the easiest government regulations to deal with?</p> <p>How strict have the food safety regulations been?</p> <p>I see that there are people for and against the use of pasteurised milk, what do think about having to use pasteurised milk?</p> <p>Have you had to do anything specific in relation to being a tourist venture?</p> <p>Do you see yourself aligned with the Brand Tasmania scheme?</p> <p>In what ways?</p> <p>What do you see as the advantages or disadvantages of it?</p> <p>What do you think about the Wine Equalisation Tax?</p> <p>Has the GST presented any problems?</p>
Access to Finance	<p>Have you had problems with access to finance at all?</p> <p>Have you had to draw up a formal business plan for any situation?</p>
Factors assisted/ hindered business	<p>Out of everything, what would you say are the biggies that have helped your business along?</p> <p>What about things that have hindered your business?</p>
Knowledge	<p>Where would you say most of your knowledge about how to run the business and farm has come from?</p> <p>Have you done any training courses related to the business?</p>
Environmental	<p>Do you do anything specifically environmental on the farm? (Member of TOP Tasmanian Biodynamic-Organic Producers)</p> <p>What are your reasons for doing this?</p>
Quality	<p>As a quality producer of cheese, what would you describe as quality?</p>
Networks/ associations/ social capital	<p>Are you a member of any associations or organisations?</p> <p>What are the benefits of being a part of these?</p> <p><u>Formal</u></p> <p>Have you been supported by any government assistance or programs (local, state, federal, information, funding etc)? (AFFA)</p> <p>How did you know this was available?</p> <p>Have you gone to any rural consultancies or associations?</p> <p>Do you feel this has benefited the business?</p> <p><u>Informal</u></p> <p>Do you get together with other producers as an informal group and discuss or support each other?</p> <p>How do you think this network has benefited you?</p>

APPENDIX E: LIST OF NVIVO NODES (TREE AND FREE)

SACE NODE LISTING

Nodes in Set:	All Tree Nodes
Created:	16/03/2004 - 10:08:40 AM
Modified:	16/03/2004 - 10:08:40 AM
Number of Nodes:	73
1	(1) /Philosophies
2	(1 1) /Philosophies/Philosophy on borrowing money
3	(1 2) /Philosophies/Own impression of business
4	(1 3) /Philosophies/Differentiation
5	(2) /Quality Meanings
6	(2 1) /Quality Meanings/Care
7	(2 2) /Quality Meanings/Recipe characteristics
8	(2 30) /Quality Meanings/Quality
9	(3) /Physical Characteristics Enterprise
10	(3 1) /Physical Characteristics Enterprise/Supplementing income
11	(3 2) /Physical Characteristics Enterprise/Synergies
12	(3 3) /Physical Characteristics Enterprise/Supplementing income in the beginning
13	(3 4) /Physical Characteristics Enterprise/Employees
14	(3 8) /Physical Characteristics Enterprise/Size relative to other producers
15	(3 9) /Physical Characteristics Enterprise/Quantity of Production
16	(3 11) /Physical Characteristics Enterprise/Size of the farm
17	(3 12) /Physical Characteristics Enterprise/Adv's Disadv's being small
18	(3 19) /Physical Characteristics Enterprise/Website and Internet use
19	(3 25) /Physical Characteristics Enterprise/Formal business plan
20	(4) /Food Chain
21	(4 17) /Food Chain/On-farm sourcing of raw produce
22	(4 18) /Food Chain/Level of processing on-farm
23	(4 20) /Food Chain/Distribution to mainland and overseas
24	(4 21) /Food Chain/Local distribution
25	(5) /Social Characteristics Enterprise
26	(5 1) /Social Characteristics Enterprise/Educational background
27	(5 2) /Social Characteristics Enterprise/Background
28	(5 3) /Social Characteristics Enterprise/Specific roles
29	(5 4) /Social Characteristics Enterprise/Lifestyle change
30	(5 5) /Social Characteristics Enterprise/Tradition
31	(5 29) /Social Characteristics Enterprise/Environmental specifics
32	(6) /Issues business activities
33	(6 1) /Issues business activities/Positive
34	(6 1 16) /Issues business activities/Positive/Government support
35	(6 1 26) /Issues business activities/Positive/Factors assisted business
36	(6 2) /Issues business activities/Negative
37	(6 2 1) /Issues business activities/Negative/Physical problems
38	(6 2 2) /Issues business activities/Negative/Different interests in agricultural
39	(6 2 3) /Issues business activities/Negative/Misunderstanding of raw agricultural

40 (6 2 4) /Issues business activities/Negative/Problems in the beginning
 41 (6 2 13) /Issues business activities/Negative/Tax
 42 (6 2 22) /Issues business activities/Negative/Difficult government
 regulations
 43 (6 2 23) /Issues business activities/Negative/Food Safety regulations
 44 (6 2 24) /Issues business activities/Negative/Access to finance
 45 (6 2 27) /Issues business activities/Negative/Factors hindered business
 46 (6 2 33) /Issues business activities/Negative/Sourcing labour
 47 (6 2 34) /Issues business activities/Negative/Pressure to increase in size
 48 (7) /Future intentions
 49 (7 1) /Future intentions/Future intentions
 50 (7 2) /Future intentions/Ideas on expansion
 51 (7 3) /Future intentions/Small production
 52 (7 10) /Future intentions/Diversification or expansion
 53 (8) /Artisanal
 54 (8 14) /Artisanal/Artisanal
 55 (9) /Knowledge
 56 (9 2) /Knowledge/Knowledge of demand of product
 57 (9 28) /Knowledge/Knowledge to run business
 58 (10) /Authentic Meanings
 59 (10 7) /Authentic Meanings/Authentic definition
 60 (11) /Cottage Meanings
 61 (11 5) /Cottage Meanings/Cottage enterprise
 62 (11 6) /Cottage Meanings/Cottage definition
 63 (12) /Tourism
 64 (12 15) /Tourism/Tourism links
 65 (13) /Networks Associations Groups
 66 (13 1) /Networks Associations Groups/social capital
 67 (13 2) /Networks Associations Groups/trust
 68 (13 3) /Networks Associations Groups/Government programs
 69 (13 31) /Networks Associations Groups/Associations
 70 (13 32) /Networks Associations Groups/Informal producer gatherings
 71 (13 35) /Networks Associations Groups/Brand Tasmania Scheme
 72 (14) /Democratic decision making
 73 (14 1) /Democratic decision making/Representation on councils etc

Nodes in Set: All Free Nodes

Created: 16/03/2004 - 10:08:40 AM

Modified: 16/03/2004 - 10:08:40 AM

Number of Nodes: 3

1 demand outstrip supply
 2 Product description
 3 train the consumer

ESACE NODE LISTING

Nodes in Set: All Tree Nodes
 Created: 17/03/2004 - 1:18:26 PM
 Modified: 17/03/2004 - 1:18:26 PM
 Number of Nodes: 79

- 1 (2) /Philosophies
- 2 (2 1) /Philosophies/Philosophy on borrowing money
- 3 (2 2) /Philosophies/Philosophies on people
- 4 (2 3) /Philosophies/Philosophy
- 5 (2 4) /Philosophies/Philosophy on suppliers and customer
- 6 (2 5) /Philosophies/Own impression of business
- 7 (2 6) /Philosophies/Negative attitude to bureaucracy
- 8 (2 7) /Philosophies/autonomy
- 9 (3) /Physical Characteristics Enterprise
- 10 (3 1) /Physical Characteristics Enterprise/Supplementing income
- 11 (3 2) /Physical Characteristics Enterprise/The Product
- 12 (3 2 1) /Physical Characteristics Enterprise/The Product/Product distinctness
- 13 (3 2 2) /Physical Characteristics Enterprise/The Product/Identity
- 14 (3 2 3) /Physical Characteristics Enterprise/The Product/product description
- 15 (3 2 26) /Physical Characteristics Enterprise/The Product/Actual demand for product
- 16 (3 3) /Physical Characteristics Enterprise/Economies of Scope
- 17 (3 4) /Physical Characteristics Enterprise/Employees
- 18 (3 5) /Physical Characteristics Enterprise/percentage sales locations
- 19 (3 6) /Physical Characteristics Enterprise/Size relative to other producers
- 20 (3 9) /Physical Characteristics Enterprise/Customer base
- 21 (3 12) /Physical Characteristics Enterprise/Website and Internet Use
- 22 (3 27) /Physical Characteristics Enterprise/Size of the farm
- 23 (3 28) /Physical Characteristics Enterprise/Breakdown of sales
- 24 (3 29) /Physical Characteristics Enterprise/Advantages and Disadvantages to being
- 25 (3 32) /Physical Characteristics Enterprise/Formal Business Plan
- 26 (3 38) /Physical Characteristics Enterprise/Quantity of production
- 27 (4) /Food Chain
- 28 (4 1) /Food Chain/Local sourcing of raw product
- 29 (4 10) /Food Chain/On-farm sourcing of raw produce
- 30 (4 11) /Food Chain/Level of processing on-farm
- 31 (4 13) /Food Chain/Distribution to mainland and overseas
- 32 (4 14) /Food Chain/Local distribution
- 33 (4 15) /Food Chain/Advantages and Disadvantages of cell
- 34 (5) /Social Characteristics Enterprise
- 35 (5 1) /Social Characteristics Enterprise/Educational background
- 36 (5 2) /Social Characteristics Enterprise/Background
- 37 (5 3) /Social Characteristics Enterprise/specific roles
- 38 (5 4) /Social Characteristics Enterprise/involvement in business
- 39 (5 5) /Social Characteristics Enterprise/innovation new products
- 40 (5 6) /Social Characteristics Enterprise/Family run
- 41 (5 7) /Social Characteristics Enterprise/Ownership in business
- 42 (5 34) /Social Characteristics Enterprise/Environmental specifics
- 43 (6) /Issues business activities

44	(6 1) /Issues business activities/Negative
45	(6 1 1) /Issues business activities/Negative/Lack of raw product in state
46	(6 1 2) /Issues business activities/Negative/marginalised
47	(6 1 3) /Issues business activities/Negative/Misunderstanding of raw product
48	(6 1 5) /Issues business activities/Negative/Sourcing labour
49	(6 1 7) /Issues business activities/Negative/Access to finance
50	(6 1 17) /Issues business activities/Negative/Difficult Government Regulations
51	(6 1 19) /Issues business activities/Negative/Tax
52	(6 1 33) /Issues business activities/Negative/Factors hindered business
53	(6 2) /Issues business activities/Positive
54	(6 2 21) /Issues business activities/Positive/Factors Assisted Business
55	(6 2 35) /Issues business activities/Positive/Government support
56	(7) /Future Intentions
57	(7 8) /Future Intentions/Diversification or expansion
58	(8) /Knowledge
59	(8 22) /Knowledge/Knowledge to run business
60	(8 37) /Knowledge/Knowledge of demand of product
61	(9) /Cottage Meanings
62	(9 2) /Cottage Meanings/Cottage definition
63	(9 3) /Cottage Meanings/Cottage enterprise
64	(10) /Tourism
65	(10 31) /Tourism/Tourism Links
66	(11) /Artisanal
67	(11 1) /Artisanal/unlike artisanal characteristics
68	(11 16) /Artisanal/Artisanal Meanings
69	(12) /Networks Associations Groups
70	(12 18) /Networks Associations Groups/Brand Tasmania Scheme
71	(12 24) /Networks Associations Groups/Associations
72	(12 25) /Networks Associations Groups/Informal producer gatherings
73	(13) /Quality
74	(13 23) /Quality/Quality
75	(14) /Authentic Meanings
76	(14 20) /Authentic Meanings/Authentic definition
77	(15) /Expansion of business
78	(15 1) /Expansion of business/expansion
79	(15 2) /Expansion of business/selling in beginning

Section I: About the Principals

Introduction

This section explores the principals of each case study enterprise. The enterprise is a product of the principal and it is for this reason that data on the principals' backgrounds and motivations are presented.

Prior to Establishing the Business

The principals of the Cheese SACE, Berry SACE, Berry ESACE and Wine ESACE all established their enterprises later in life. That is, they established their present businesses after having a career in other areas. The male principal of the Cheese SACE was a solicitor and the female sold insurance and investment portfolios. The principals of the Berry SACE held blue-collar positions before establishing their business. The Berry ESACE's male principal was the head of a branch at the local state department of Primary Industries for 16 years and an agricultural consultant, while the female principal was a school teacher. The Wine ESACE's male principal now operates the Cambridge site, but was farming the Glenora site for 23 years prior.

As for the Wine SACE, the principals previously operated the male principal's parents' wine business for two years prior to moving to Tasmania. Whilst the Cheese ESACE's male principal is an ex-builder, the female principal was a home maker and has run the business over the last thirty years.

Reasons for Establishing the ACE

As one would expect, there were a diversity of reasons given for establishing the enterprises (see Table 1). For the Cheese SACE, the main reason was to get back to nature and their concern for the environment. The primary motivation for the establishment of the Berry SACE was to give their children more opportunities. The later shift into jam production occurred because of the lack of knowledge of the types of fruits that they were growing and the reluctance of the customer to purchase them. The Wine SACE relocated to a geographic area that allowed them to be producers of quality, rather than quantity wines. The Cheese ESACE initially began producing

TABLE 1: REASONS FOR ESTABLISHING THE ENTERPRISES

	Reasons for Entering the Business
Cheese SACE	Fifteen years ago went through a self-confessed early mid-life crisis <i>...became very concerned about the earth and what we were doing to it and also about my role in that.</i> <i>...it was a soul connection of needing to get back to basics and do things a bit more meaningful.</i>
Berry SACE	Give kids a better future and <i>thought farming might give them another perspective</i> Cheap land prices in Tasmania (Initially they were just going to be growing and selling fruit)
Wine SACE	If stayed in the Riverland district would have been <i>quantity beverage producers</i> , but <i>...Whereas in Tasmania we could make quality and ...build a reputation</i> Looking for a true cool climate to grow grapes and high rate of sunshine
Cheese ESACE	Originally got a goat for the milk for daughter's health problems and it escalated from there <i>I guess the major thing that's kept me going is the major fact that I really, really love the dairy goat and I just refuse to give up on telling people just how good that animal is and just how good the product is that you make from it, like health wise. It's been the fact that I want to see a goat milk industry established before I finally fall over and it got a bit: If Lorraine Mance wasn't making goat cheese there just wouldn't be an industry.</i>
Berry ESACE	Had been working in the public service for many years and found it "technically satisfying but administratively ...it became less and less satisfying" Researched and found out that PYO was one of fastest growing areas in US
Wine ESACE	Needed to diversify "...because the grazing wasn't providing satisfactory return on investment" Chose to diversify by looking "...at all our resources and, decided that and, what we thought we enjoyed doing, we had a passion for, and what we were good at, and that was one thing."

products for her daughter's allergies, but her belief and respect for the benefits of goat milk products has been a key factor in the longevity of the business. A career change, dissatisfaction with the old and a stint of research prompted the beginnings of the Berry ESACE. Whist for the Wine ESACE, the lack of a satisfactory return on grazing and avoidance of the Wine Equalisation Tax (an Australian tax on wine) drove the establishment of the second site. This tax is avoided when products are sold via the cellar door.

Formal Education

The principals of the Cheese SACE, the Wine SACE, the Berry SACE, the female principal of the Berry SACE, and the male principal of Wine ESACE are all tertiary educated (i.e. university, college or TAFE) (see Table 2). Three out of the six case studies possess formal educational qualifications in agricultural-related areas. The male principal of the Berry SACE and the Cheese ESACE were in trades prior to establishing their businesses. As a result of illness, the female principal received only a primary level formal education.

TABLE 2: LEVEL OF FORMAL EDUCATION AND BACKGROUND

	Cheese	Berry	Wine
SACE	Tertiary Male – Solicitor Female – Psychology, Mgt and Marketing, Financial Planning, Renewable Energy, Cheese making.	Tertiary Male – No, mechanic (for anonymity) Female – For anonymity, say Nurse (same professional level) and Certificate in Rural Office Practice	Tertiary Male – Bachelor in Oenology; Took over father's vineyard for two years previous Female – Secretarial Studies; parents ran own small businesses
ESACE	Female - Left school in Grade Six due to illness Male – Builder Started goat products thirty years ago when bought first dairy goats; opened factory in 1994	Tertiary Male – Diploma and Degree in Agricultural Science; Worked as entomologist for 17yrs; Chief of Fruit & Ornamentals branch, DPI 10 yrs; Ag consultant Female – School Teacher	Tertiary Male – Bachelor of Rural Science and Diploma of Financial Mgt; bought first property in 1976 and planted second vineyard in 1999 opening centre in 2000.

Relocation

All three of the SACEs had migrated to Tasmania, from mainland Australia (Queensland, Victoria and South Australia), to specifically start their businesses. All three of the ESACEs were local and were residing and working in Tasmania prior to commencing their enterprises.

Family History

The principals of the Cheese SACE did not come from a farming background, but had grown Echinacea and organic market garden vegetables on fifteen acres prior to moving to Tasmania. They had previous business skills, having owned their own businesses. The principals of the Berry SACE did not come from a farming background. The preparation they had before purchasing the farm was the female principal's completion of a Certificate in Rural Office Practice.

For the principals of the Wine SACE, business and farming were not new experiences. Both grew up in their parents' businesses: for the male it was a grape/wine making business and for the female, it was her parents' small businesses. The male principal came from a farming background that had gone back generations, starting with a small mixed farm in Italy, prior to his father migrating to Australia. For the Cheese ESACE principals, who do not come from a farming background, it was a matter of learning by trial and error.

The Berry ESACE principals have both a farming and business background and this is evident in the success of their business. The male principal of the Wine ESACE came

from a farming background, with the last two or three generations being involved in the land. After the male principal finished studying rural science and a diploma in financial management, the couple purchased their Glenora site in 1976 and began expansion of the viticulture in 1987.

Section II: Business-related Issues

Introduction

This section provides additional data that is not related to business composition or the principals. As such, business-related issues, such as how the business progressed, the factors that have inhibited/promoted success within each business, environmental behaviour, and associations with formal and informal groups is presented.

Progression of the Enterprises

The SACEs

The Cheese SACE is the youngest of all the businesses, having moved onto their property in 2001. Initially, they built the straw-baled dairy and cheese factory, which doubles as the tourist viewing gallery and farm gate. They recently planted a three hectare organic vineyard and bought another 2.5 hectare non-organic vineyard close to their home. They plan to increase their milking herd from what it is now (i.e. 80) to full holding capacity (an unknown amount) and plan to expand the vineyard.

Having bought the run-down berry farm in 1985, the Berry SACE principals have “been reviving the raspberries ever since.” The original berry farm had been run down and ploughed under when the state started importing berries in the 1980s. The property has 2.5 acres of berries with no plans to expand. Expansion will depend on the amount of water they can get to the existing fruit.

The Wine SACE principals bought their property in 1990 as a market garden. They ran this garden for a year and then in 1991 planted their first vineyard. There has been a gradual expansion and today the vineyard is 19 hectares in total. They do not envisage much more expansion in the vineyard area, but may look at doing something with the cellar door and diversifying into other products (such as olives, prosciutto, salamis, or stone fruit).

The ESACEs

The Cheese ESACE bought a 20 acre property about thirty years ago, but eventually moved to a 400 acre property when the farm became too small. Initially they started

selling unpasteurised goatmilk to Woolworths, Coles and smaller independent retailers and customers. In the flush of the season there was an oversupply of milk, so the female principal began making cottage cheese, yoghurt and butter. Eventually, it all became too much, with four small children, so the excess milk was sold to another factory and processing ceased. Then in 1994 they leased the factory. At this time, they had a milking herd of 200 and sourced local milk from six other farms. They are at a stage now where the factory is too small and they are looking to expand. They recently developed a new product – a pet yoghurt - and received a \$93,000 grant from a federal government research and development corporation. In October of 2003, they sold their 400 acre farm and now source all their milk locally.

The Berry ESACE started from a bare paddock and the first strawberries were planted in May 1989 knowing they would receive a rapid return for them. By November the same year they were operating as a PYO. That same year they also planted some fruit trees (mainly to act as wind barrier for the strawberries) and in 1993 expanded the fruit tree side of production. Initially they operated three days per week. The principals then had to choose between “two options, one was to stay just as a small enterprise or the other one was in fact to actually take on a growth strategy and so we adopted a growth.”

They then built the first section of the Fruit Centre. At this stage there was no kitchen and they started processing jams in 1994 in a commercial kitchen in Sorell. Two years later, they added a kitchen and two years after that, an alfresco dining area. Recently they doubled the dining area of the Centre. The processing of products expanded from just jams to fruit vinegars and a wider range of jams and then eventually into wines and liqueurs. In the 1991/92 season the Berry ESACE found that they had insufficient second grade/excess product for their processing and now source from seven other suppliers throughout Tasmania. The business purchases “nearly all of the Tayberries produced in that state” and “buy all of the Silvanberries that [they] can get [their] hands on”. The distinctive fruit they use in their products meant that they “had to increase the range of, the types of berries [they] handle, in one instance, to a degree, because in fact [they] have found that supply is limited.”

The Wine ESACE began when the principals purchased a grazing property (Glenora site) in the mid-1970s. This property had a couple of hectares of grapes on it and eventually expanded to eleven acres of vines. Over the years they have been involved in essential oils, small seed production, forestry production, wool and beef production, but ceased all except beef and viticulture because they were too environmentally degrading.

In the eighties and nineties grazing was not providing them with a satisfactory return on their investment so they diversified into their present activities. In 1999, the Wine ESACE leased a site at Cambridge on a tourist trail and have 9.5 acres of vineyard planted. In 2000, the restaurant, cellar door, art gallery and function centre was opened at the Cambridge site. Finance for the Cambridge site was equity finance (i.e. unit trusts). The business has recently expanded by separating the restaurant and the cellar door with intentions of putting in a wine gallery. Future intentions are to conduct a short-term expansion of the viticulture side of things.

Environmental Behaviour

In relation to environmental actions, the case studies were particularly environmentally aware. The Cheese SACE was certified organic. For the Berry SACE, it was stated that their “credo is sustainable farming, rather than organic, but that’s real life rather than hope”. Furthermore, the female principal is an asthmatic and as a result is extremely conscious of pesticide residues etc.

The Wine SACE is moving towards organics (i.e. no pesticides); however, it was suggested that they would probably never become certified or even advertise it. The reasons for adopting this method of farming were “to make the most flavoursome product” and “the difference organics makes to the vitality of the grapes and the flavours”. The minimisation of pesticide use is a goal for the Berry ESACE. The motivation for this is “personal health benefits”, the fact that it is a PYO, and simply because the male principal sees it as a “technical challenge”. It was mentioned that being a PYO made it logistically too difficult to keep tourists out of sprayed areas. Throughout the interview and on their website, they refer to “managing” rather than “controlling” pests, with the use of: mustard (a biofumigant); a nematode raised in CSIRO labs (to control a weevil); and, introducing predatory mites to overcome two pest mites. Organic is not on the cards for the Berry ESACE, with the male principal stating that “technically I don’t think it stacks up as well as people claim it to be”.

The Wine ESACE ceased all cropping activities, except for viticulture, due to the environmentally degrading impacts it was having. They have also modified their “whole grazing routine around sustainable grazing systems”. In relation to the wine side of the business, they adopted Integrated Pest Management, “which basically is looking at, not acting on things just by routine but by acting on what nature determines needs doing.”

Knowledge of demand of product before going into business

The Cheese SACE, being from a marketing background, stated that “I wouldn’t go into it with at least analysing the market, what they wanted, being a marketer.” Prior to commencing the business the principals had carried out significant market research into sheep cheese and knew there was a worldwide shortage of good quality organic pinot before planting their vines. The Berry SACE relied on the positive hype surrounding berries at the time.

The Wine SACE principals were already in the wine industry and, thus, were familiar with the industry and the demand. At the time of establishment, the Cheese ESACE knew full well that there was, and still is to a lesser extent, a huge aversion to goat milk products; however, there was also a small health food market.

The Berry ESACE’s work environment was perfect for keeping up to date with market trends and prior to establishment read “that PYO was the most rapidly growing area of horticulture in that area of the U.S.” Knowledge of the market is evident in the Berry ESACE’s cap on production of certain products and development of others to take advantage of the gap in the market.

Business Plans

Being from a business background, the Cheese SACE had a business plan prior to going into the business. The Berry SACE had drawn up a couple of business plans during the life of their business, which are now “hopelessly out of date”. They stated that, “you spend most of your waking hours revising business plans, which have fallen into disrepair, because you’ve spent the last three years revising the business plan.” In the initial stages, the Wine SACE did have a formal business plan drawn up but have since reached their goal. The Cheese ESACE gained assistance (a grant matched dollar for dollar) from the Department of State Development in drawing up a business plan, while the Berry ESACE had a plan pre-establishment that they regularly update.

Advantages and Disadvantages of being a small-scale business

Some of the advantages that were mentioned in relation to being small in size by the Cheese SACE were the affordability of capital input; the ability to capture the boutique market (i.e. hand made); and for the wine, the tax advantage of selling via cellar door. Significant disadvantages the Cheese SACE cited are the problems that can occur “if

you start trying to be price competitive with the big boys” and also in relation to economies of size which “impacts on everything from producing through to marketing”.

For the Berry SACE, the major disadvantage when you are small is not being able to “throw your weight around”. As for the advantages, they are able to keep their eye on quality and “just about identify every [piece of] fruit”. They suggest that their size lets them set the price, due to demand outstripping supply.

The Wine SACE stated that the biggest advantage to being small was “more control” over the process. The lack of capital in such a capital intensive industry, such as the wine industry, was stated as a major disadvantage and explained as a “catch 22”. More control over the product; the market advantage of being hand-made; using your own raw agricultural produce; and, the ability to change direction in production very easily, were seen by the Cheese ESACE as being the major advantages to being small. The most significant disadvantage mentioned was the lack of economies of size with everything (e.g. transport, labelling, ingredients, packaging) costing more as a result.

Associations/Informal Groups

The Cheese SACE stated that “we had to join a British Sheep Dairy Association” to access intellectual property on milking sheep and making sheep cheese. The Cheese SACE is also a member of the Tasmanian Organic Biodynamic Producers (TOP), which is necessary to achieve organic certification. There are not really any sheep cheese producers to speak off; however, they do meet with a couple of other vigneron in the area every now and then. The Berry SACE is a member of the Australian Rubus Growers Association, Landcare, and Aussie Host. When asked if they meet informally with other producers they stated that “we haven’t got the time. I mean, berry growers usually don’t have the time”. In relation to jam production and meeting with other producers, they referred to the Food Industry Council. The majority of informal gatherings, for these principals, occur at farmers markets and food shows/presentations.

The Wine SACE is a member of the Southern Tasmanian Wine Regions which is more of a marketing organisation. The enterprise was a member of the Vineyards Association of Tasmania but “their aspirations weren’t the same” in relation to the Wine Equalisation Tax and they are no longer a member. In reference to informal gatherings with other producers, it is suggested that they try and keep business and their life separate, so they only occasionally meet socially with other producers.

The Cheese ESACE is a member of the Dairy Goat Society of Australia (predominantly for stud breeders), a group formed by the Victorian Dairy Society, and the Australian Goat Milk Association (predominantly commercial milk producers). Informally, the enterprise meets with other goat milk producers but not with manufacturers (probably because there are next to none). The Berry ESACE is “in a loose sense” a member of the Tasmania stone fruit growers and berry growers. The enterprise meets very occasionally with other wine and liqueur processors. The principal of the Wine ESACE is the vice-president of the Vineyards Association of Tasmania (VAT) and the director of the Tasmanian branch of Greening Australia (GAT). Producer gatherings occur when the VAT holds field days through the Pinot Group of Tasmania and various farmers groups (e.g. Executive Link).

Future Business Intentions/Goals/Strategies

In relation to future business intentions, the Cheese SACE would like to increase their milking herd to full holding capacity which, at the moment, is an unknown quantity. One of their wishes is for other farmers to start milking sheep and to supply them with off-farm milk. However, the female principal suggested that “to date it’s too bizarre for any farmer to want to contemplate”. In relation to the wine side of the business, they intend to plant more vines.

TABLE 3: FUTURE BUSINESS INTENTIONS/GOALS/STRATEGIES

	Cheese	Berry	Wine
SACE	Like to increase milking herd up to full holding capacity of land; are prepared to buy milk off others and make into cheese but there are no others in Tasmania milking and selling sheep milk. * will expand vineyard size	Intend to expand (enterprise will stay basically same size) just cook four days/week instead of two/three; depends of amount of water for trees & fruit	No major expansion in vineyard (capping production); Not interested in becoming huge cellar door, wants to do something with it though (e.g. offer cheese) Perhaps diversify into olives, prosciutto, salamis, cherries, fresh pie (nectarine) – have kitchen on site
ESACE	Needs to expand factory size; probably expand within building already in; mindful of age (debt and selling potential)	Only in berry liqueurs and wines; not in jams, pickles, chutneys, vinegars etc – saturated with local product.	Plan to expand in viticulture

The Berry SACE does not intend to expand their orchard but their output, by being able to get more water to their trees. The Wine SACE has basically reached their goal of producing 200 tonnes which is where they want to cap production. After this point, they would need to employ another winemaker and this sits in opposition to their philosophy of producing quality wine.

They are momentarily expanding the winery to cope with the increase in production (i.e. part of the vineyard has just come into full production) and in the next few years are going to expand the cellar door slightly to cater for new consumer expectations. As the female Wine principal states, “I think that Steve’s [i.e. male principal/wine maker] real ambition is to, you know, it’s not just about wines, it’s about wine and food, it’s about regionality.” Thus, the Wine SACE would like to diversify into products such as olives, prosciutto, salami, cherries, stone fruit and fresh pies.

For the principals of the Cheese ESACE, one of their primary concerns is that they are up in age and any expansion will be small. They are finding that they are running out of floor space at their leased factory and are thinking about expanding. Another reason for not wanting to expand significantly is that the more you expand the more products you have to sell. For the Berry ESACE, the fact that the jam/vinegar market is “pretty well saturated with local product” means that expansion in this area is not going to occur. A further factor in not expanding this line of product is that they do not have the equipment or space to gain economies of size. In relation to their other products, they see major expansion in the fruit liqueur and wine (to a lesser extent) area. These products are different in that the contract wine maker processes them off-farm and, hence, economies of scale can be achieved. Their future intention is to reach markets outside of Tasmania.

The Wine ESACE has recently completed a significant expansion of the infrastructure, where the cellar door has been separated from the restaurant and the services to their cellar club members has been extended. Future intentions include a “wine gallery”, “which is a new concept that hasn’t been seen in Tasmania and not really anywhere else in Australia”. In relation to the actual viticulture side of the business, the Wine ESACE has a “short-term expansion plan” to increase production.